FOREIGN AFFAIRS

AMERICA AND THE WORLD 1989/90

$6.95

Beyond the Cold War
Jeane J. Kirkpatrick

The Springtime of Nations — *Michael Howard*
Europe's Destiny — *Jim Hoagland*

U.S.–Soviet Relations: A New Era — *Arnold L. Horelick*
Poland — *Abraham Brumberg*
Asia and the United States — *Robert A. Scalapino*
Latin America — *Georges A. Fauriol*
Changes in South Africa — *Bruce W. Nelan*
The Middle East — *Mark A. Heller*
Capitalism in Conflict — *Shafiqul Islam*
The Defense Debate — *Gregory F. Treverton*

From Cold War Toward Trusting Peace
McGeorge Bundy

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

FOREIGN AFFAIRS

AMERICA AND THE WORLD 1989/90

Beyond the Cold War . . . . . *Jeane J. Kirkpatrick* 1
The Springtime of Nations . . . . . *Michael Howard* 17
Europe's Destiny . . . . . *Jim Hoagland* 33
U.S.–Soviet Relations: The Threshold of a New Era
Arnold L. Horelick 51
Poland: The Demise of Communism . . *Abraham Brumberg* 70
Asia and the United States: The Challenges Ahead
Robert A. Scalapino 89
The Shadow of Latin American Affairs
Georges A. Fauriol 116
Changes in South Africa . . . . . *Bruce W. Nelan* 135
The Middle East: Out of Step with History
Mark A. Heller 152
Capitalism in Conflict . . . . . *Shafiqul Islam* 172
The Defense Debate . . . . . *Gregory F. Treverton* 183
From Cold War Toward Trusting Peace
McGeorge Bundy 197
Chronology 1989 213

Foreign Affairs is published five times annually
by the Council on Foreign Relations, Inc.
Vol. 69, No. 1 © 1990

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

FOREIGN AFFAIRS

WILLIAM G. HYLAND
Editor

PETER GROSE
Executive Editor

PETER HAYES
Associate Editor

LUCY EDWARDS DESPARD
Book Editor

PATRICIA LEE DORFF
Assistant Editor

KIRK KRAEUTLER
Assistant Editor

MAE G. BENETT
Assistant to the Editor

AMY ROWE
Staff Assistant

ROSEMARY HARTMAN
Assistant to the Executive Editor

DAVID KELLOGG
Publishing Director

GEORGE W. WINCHESTER III
Circulation Director

MOIRA EILEEN COUGHLIN
Promotion Evaluation Manager

W. PAUL UNDERWOOD
Advertising Manager

THOMAS J. MULLEN
Circulation Assistant

BEVERLY JO SLAUGHTER
Assistant to the Publishing Director

LAUREN MANLY
Advertising Assistant

Editorial Advisory Board

A. DOAK BARNETT
JAMES H. BILLINGTON
HARVEY BROOKS
HENRY GRUNWALD
PHILIP C. HABIB
JAMES HOGE
CARL KAYSEN
HARRY C. MCPHERSON, JR.
WILLIAM M. ROTH
FRITZ STERN

The articles in Foreign Affairs *do not represent any consensus of beliefs. We do not expect that readers of the review will sympathize with all the sentiments they find there, for some of our writers will flatly disagree with others; but we hold that while keeping clear of mere vagaries* Foreign Affairs *can do more to inform American public opinion by a broad hospitality to divergent ideas than it can by identifying itself with one school. It does not accept responsibility for the views expressed in any article, signed or unsigned, which appears in its pages. What it does accept is the responsibility for giving them a chance to appear there.* The Editors.

Foreign Affairs is published five times annually by the Council on Foreign Relations, Inc. Editorial Offices: 58 East 68th Street, New York, NY 10021.

Manuscript submissions: The Editors will consider all manuscripts received, but assume no responsibility regarding them. Materials will be returned only when accompanied by appropriate postage.

Subscriptions: Price for U.S. subscriptions, $32.00 per year; foreign, $39.00. Rates for air speed delivery are available upon request. To subscribe, write *Foreign Affairs,* P.O. Box 53678, Boulder, CO 80322-3678. To resolve subscription problems, call (800) 365-1554. Replacement copies are available to subscribers at no charge until the next issue is published. Thereafter, back issues are $9.00 each.

Advertising: For rates and schedules, contact the Advertising Office, (212) 734-0400. *Foreign Affairs* is represented by The Leadership Network, Robert F. Sennott, Jr., President, (212) 684-5500. *Foreign Affairs* is a member of the Audit Bureau of Circulations.

Reprints and permissions: Write *Foreign Affairs,* Reader Services, 58 East 68th Street, New York, NY 10021.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Jeane J. Kirkpatrick

BEYOND THE COLD WAR

The postwar era collapsed in 1989. When the year began, relations among countries were essentially what they had been for forty years: a divided Europe, a Soviet Union that maintained an East European empire by force, and an America that assumed "superpower" responsibilities vis-à-vis its allies in NATO and in Asia. By the year's end the countries of Eastern Europe seem to have been liberated from the pressures of the Brezhnev Doctrine (though Soviet troops remained). Communist governments put in place and held there by force had collapsed. The division of Europe had been overcome symbolically with the collapse of the Berlin Wall, and literally with the progressive opening of borders between Hungary and Austria, Czechoslovakia and Austria, East Germany and West Germany. More than 700,000 Soviet troops were still stationed throughout Eastern Europe, but the will to empire had apparently been replaced by a will to modernization.

Meanwhile the relative decline in U.S. economic power, the rising pressure of budget and trade deficits and the apparently declining Soviet military threat made defense costs and the "superpower" responsibilities of the United States seem less necessary to the defense of Europe and more difficult to justify or to finance. The cold war is over—nearly. The postwar era is finished—absolutely.

The structures through which international affairs have been conducted for the past forty years have been shaken to their foundations. Now comes the time of rebuilding. An American administration with an avowed aversion to "big think" (as one administration official called it) will likely be confronted with the most sweeping reorientation of U.S. foreign policy since 1947.

By 1989 four major processes of change were at work reshaping what had come to be called East-West relations: liberalization and reform inside the Soviet Union; the democ-

---

Jeane J. Kirkpatrick is Leavy Professor of Government at Georgetown University and Senior Fellow at the American Enterprise Institute. She is author of a forthcoming book, *The Withering Away of the Totalitarian State.*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ratization of Eastern Europe; the determined move toward economic integration in Western Europe; and a new, apparently irresistible drive toward unification of East and West Germany. The conjunction and the cumulative impact of these ongoing changes promised to transform Europe—and the U.S. role in Europe.

All these changes were important, but the most important was change within the Soviet Union. It is, above all, Mikhail Gorbachev who is changing the world.

II

Mikhail Gorbachev is what Sidney Hook called an "event-making man": a man whose actions transform the historical context in which he acts. He has already loosened the reins that have tightly controlled Soviet society since the Bolshevik Revolution—largely eliminating censorship, largely freeing emigration, permitting religious freedom not enjoyed in the Soviet Union since 1917, overhauling the structures of government, and providing elections with competition, discussion of public issues and a degree of choice. Gorbachev has not brought democracy to the Soviet Union—yet—but he has sponsored a new tolerance of diversity and restraint in the use of force that have had a profoundly liberating effect. Civil society is being liberated from the suffocating embrace of the state. The consequence is an outpouring of ethnic, religious, political and economic demands and analyses, a mushrooming of political groups formed around new causes. So far economic reforms have disrupted the Soviet economy without increasing production. But all this activity and diversity, all this openness and restructuring, are transforming the Soviet Union, Europe and East-West relations.

Obviously Gorbachev is not the only source of change in the world, in the West or in the Soviet Union. Alexander Solzhenitsyn, the late Andrei Sakharov, Anatoly Sharansky, the refuseniks and generations of dissidents have articulated alternatives to the stifling official Soviet prescription and have provided models of courage and honesty. Ronald Reagan and the Reagan Administration dramatized the need for change and made the case for freedom. The democracies of Western Europe provided nearby examples of the benefits of freedom.

The Information Age, the Strategic Defense Initiative, COCOM, the decision to deploy Pershing missiles in Europe and the promise of the European Community (EC) doubtless also

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

contributed to the Soviet motivation to change. Stagnation and the worsening economic situation were an important spur to change. The fact that the Soviet Union is the only industrial nation in the world with rising infant mortality rates and declining life expectancy statistics as well as worsening living standards contributed to the felt need for change.

But it was Gorbachev who, from the apex of the Soviet system, acted. The laws of history to the contrary, the Soviet Union was founded on the decisions of a single man and is being reshaped by the decisions of another. As Lenin thought he could jump over stages of history, Gorbachev apparently believes he can move the Soviet polity "backward" in Marx's historical trajectory from "socialism" to a stage of "pluralism" that the Bolshevik Revolution "skipped" on its way to the end of history.

Gorbachev's sweeping program of political, cultural and economic reform marks the end of totalitarianism in the Soviet Union. And with the dream of total power inside the country has apparently gone the dream of total power in the world.

Political reforms have already substantially altered the framework within which decisions are made on economic, military and foreign policy. Gorbachev seems to have understood the importance of changing the political method. The new Soviet method is a kind of imperfect parliamentarianism—which moves a giant step from government by force to government at least partly representative and responsible.

The method involves significant restraint in the use of force, internally and externally—whether toward striking Soviet miners, the Baltic republics' demands for autonomy or East European protest demonstrations. Gorbachev's restraint in the use of force has transformed the situation in Eastern Europe, opened the way for a democratic revolution and altered relations with the United States and Western Europe.

The importance of these events for the world can be understood only when it is also understood that ever since World War II the Soviet Union has shaped relations among major powers in the West—absorbing some countries, provoking others to defend themselves. The opinions of revisionists to the contrary notwithstanding, the Truman Doctrine, the Marshall Plan, NATO, containment policy, the Reagan Doctrine and large American defense budgets were elements of the American and West European response to the stimulus of Soviet expansion and force.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The East European empire and the Brezhnev Doctrine symbolized the Soviet Union's will to conquest, its contempt for democratic self-determination and self-government, and its reliance on force as an ordinary instrument of foreign policy. The Soviet threat mobilized the West.

But shortly after becoming general secretary, Gorbachev said that each Warsaw Pact member could choose its own way. He said the Soviet use of force against fellow socialists or fellow Europeans was "unthinkable." Nikita Khrushchev, Leonid Brezhnev and even Joseph Stalin had made such declarations; the difference lay in what they did, not in what they said. Gorbachev accepted and even encouraged dramatic moves toward self-government by Hungary, Poland, East Germany, Czechoslovakia, Bulgaria, Romania. 1989 was the year during which Gorbachev demonstrated that—at the very least—there were new, much broader parameters around which the people of Eastern Europe were free to act.

The cold war was grounded in the Soviet Union's will to empire and its use of force—symbolized by the tanks that subjugated Budapest in 1956 and Prague in 1968. The abandonment of the Brezhnev Doctrine and of the effort to control Eastern Europe by force marks the end of the cold war.

We are nearly there, despite the Soviet troops in Eastern Europe, for there is powerful evidence that the will to conquest is gone, at least under this Soviet government.

III

These momentous, unanticipated changes will not only liberate Eastern Europe. If completed, they will liberate the United States and Western Europe from the constraints of the sustained global military preparedness imposed by the cold war.

The United States confronts these dramatic events with a new president and new administration that are cautious by instinct. The Bush Administration took longer than many wished in "reviewing" East-West relations, leading some observers to worry aloud that the United States by its slowness would "discourage" change in the East bloc. Obviously this was an unnecessary concern.

The most pressing issue confronting the Bush Administration was not how to encourage change but how to react to the changes that developed. The administration reacted carefully; the president not only declined to "dance on the Berlin Wall,"

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

as one congressional leader suggested he do, he has deliberately refrained from "gloating" about the manifest failure of communism and has offered repeated assurances that he will not seek to "exploit" the upheavals in the East. President Bush was carefully nonprovocative during his trip to Poland and Hungary in July. He indicated a desire to be helpful in the process of reform and made clear his own strong feelings about the importance of liberalization or democratization of East European dictatorships. But he has not sought to become a principal actor. He stands ready to help.

The question "Should we help Gorbachev?" should be rephrased as "What can we do to help Gorbachev?" and "What should we help Gorbachev do?":

—Gorbachev has pursued a rather large number of conflicting policies in the years that he has governed the Soviet Union. He is still engaged in a concerted effort to develop some very high-tech weapons. We do not want to help this Soviet effort.

—He is still spending billions supplying governments that deprive their citizens of self-determination and self-government and their societies of pluralism, for example Cuba and Afghanistan. We do not want to help him do this either.

—He is still resisting the introduction into the Soviet economy of private property and profit-making. We do not want to reinforce such reticence, if for no other reason than that it will cripple reform.

We want to help the Soviet people and Gorbachev as he moves his society toward pluralism, democracy and economic progress as we once helped countries of Western Europe.

The idea of a "Marshall Plan" for the Soviet Union, however, is particularly ill-conceived. It overlooks the fact that France, Britain, the Benelux countries and the other West European Marshall Plan recipients were modern industrial societies before they were devastated by war. Their people had the beliefs and habits of modern men and women. The Soviet Union is not a modern industrial society. It is rather, as *The Times* of London has noted, a Third World country with First World weapons. Its structures and traditions do not encourage development.

In the years since President Truman offered technical assistance to less-developed countries, aid programs aimed at economic development have been undertaken by most coun-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tries in Western Europe and North America. The world has learned a good deal about how one country can and cannot help another to economic modernization.

Whatever one may think of alternative ways of organizing society and economies, it remains a fact that command economies, in which centralized bureaucracies direct things, do not produce economic growth. This strategy of development leads to stagnation. Moreover, the ill effects of this mode of economic organization cannot be overcome by resource transfers. It is like pouring water into the Sahara.

The development of Korea, Taiwan, Chile and a dozen other successes was based on respect for market forces and on individual initiative. Their experience shows that full democratic freedoms are not necessary to make market economies work, but some profit incentives and free movement of labor are. The Soviet system still features public ownership of almost everything, little freedom of movement for workers and few opportunities to profit.

Almost everything in Soviet society discourages and inhibits movement toward a more dynamic, market-oriented economy. To increase production, efficiency and growth, material incentives are needed but still lacking. To produce the goods that will serve as incentives to produce more, enterprise, flexibility and decentralization are needed—yet centralization, rigidity and uncertainty prevail. As economist Padma Desai has emphasized, the Soviets began reform with an inadequate understanding of how a market system works, and with "overwhelming state ownership of the means of production and a one-party state." Both are extremely unhelpful.

Not only that, but as societies develop, it is not just modes of production that change. People must change. Attitudes toward time, toward achievement, toward authority, toward one's self and one's future are all associated with modernization. People must believe that their situation can get better before they will work to make it better. These human correlates of modernization drive economic development.

It is not clear that modernization can be achieved under conditions of socialism. The economic actor who drives the market system is an individual who makes decisions for himself about what is best for him to do—where to work, what to work at. The explosion of the individual into history created the energy that powered the modernization process. But socialism is proudly, confidently based on opposite concep-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tions. It focuses on collectives—on classes above all—and subordinates the individual to collectivity. It makes calculations in terms of the impact of policy on a collectivity. The collective rewards it offers are probably less than effective in stimulating individual effort, as intangible rewards are usually less effective than tangible incentives. A society in which rewards are collective but discipline is individual can probably neither achieve nor establish and sustain genuine growth. No socialist system has.

There is another very basic obstacle to Soviet economic growth. Socialism of any kind requires decision-makers who—at least in principle—make decisions that will be good for the whole, not "merely" for the decision-maker himself. More important, the decision-maker does not feel any direct economic consequences of his decision. He does not grow rich if he makes a good decision nor go without if he makes a bad decision. In a socialist system the one responsible for economic decisions does not enjoy economic benefits nor suffer the economic consequences.

In a system of centralized socialist planning, the decision-maker is more remote from his decision, is likely to be less informed about it and less directly affected by its consequences. A socialist system does not eliminate the self-interest of the decision-maker, but it changes the nature of his interest. The socialist planner's success depends on good interpersonal bureaucratic relations. In a market system success depends on the goods produced and the profit achieved. The socialist system tends, by its very nature, to transform economic decisions into political decisions.

How then is it possible to stimulate production? How can the hierarchical, centralized, one-party state be persuaded to forgo comprehensive control over the economy—especially if those in power do not really want to do so? How can market incentives become an effective stimulus when the centralized planners tax away the lion's share of the resulting profits? How can supply respond to demand in the context of centralized bureaucratic planning? How can workers be expected to work harder if there are no rewards for enterprise? What does it matter if, in any case, there is nothing to buy with money earned?

In this situation it seems clear that resource transfers to the Soviet Union should be avoided. Economic assistance should be tied fairly directly to programs that encourage and rein-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

force the development of new incentives and new modes of production—not because we want to control Soviet affairs or exploit Soviet difficulties but because we want the economy to succeed.

Moreover, it is essential that in trying to help Gorbachev the United States and other Western governments seek forms of aid that will help create and strengthen structures of freedom and promote trade that ties the Soviet Union and Eastern Europe into the business activities (not the bureaucracies) of the world, through which they can make money and, as Lenin admonished, learn to trade. What is true in the Soviet Union is also true in Eastern Europe—in both places state monopolies and entrenched bureaucracies work quietly against reform.

IV

Mikhail Gorbachev came to the general secretary's office in 1985 with a complex global agenda on which he had already begun to act. Repair of the Soviet relationship with China was a high priority. Overcoming the division of Europe to create a "Common European House" was another. Diminishing Soviet vulnerability to U.S. missiles drove an arms control agenda that also emphasized denuclearization of Europe.

He has made great progress toward all these foreign policy goals. He visited China, charmed Europe and weakened NATO. He secured withdrawal of U.S. intermediate-range missiles from Europe. But his greatest concern has been to construct a new European order from the Atlantic to the Urals.

Gorbachev has written and spoken frankly about his conception of Europe, in which the Soviet Union is to be an integral factor. He has visited Europe's capitals and courted its leaders. What does Gorbachev want for the Soviet Union in Europe? Respect, influence, perhaps hegemony in the "great European family." He has said repeatedly that he wants to put an end to the view that his country is aggressive and threatening. There is no Soviet threat, he has insisted. But what is the Soviet Union if it is not a threat?

Here we come to the Soviet problem. The Soviet Union is a military, not an economic, power. Gorbachev would like to maintain the Soviet status as a great power, as a country whose views are taken into account.

He does not want the Soviet Union to be odd man out in a united Europe. He does not want the Soviet Union to be isolated. If the Warsaw Pact countries lunge Westward—

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

joining the EC or the European Free Trade Association, withdrawing from the Warsaw Pact, as several clearly long to do, orienting their policies to the West—the Soviet Union stands to lose its status as a major power.

The best way for the Soviet Union to remain a great power is to be the leader of a bloc. But the Soviets can only be the head of the Eastern bloc if the Eastern bloc survives. Its viability is not certain, but one other thing is: Communist governments can only survive if they are protected by Soviet troops. Preserving the bloc requires preserving East Germany, which is the Western bulwark of the Warsaw Pact. Preserving Soviet influence requires preserving the Warsaw Pact itself, because it is the foundation of a Soviet position in Europe.

From the Soviet point of view, the disposition of Germany thus becomes part of the larger question: How can the Soviet Union prevent itself from being isolated in the new Europe? If all or most of the countries of the East opt for a multiparty system, free elections and free market policies, they will orient themselves toward the West. They will depart the Council for Mutual Economic Assistance and the Warsaw Pact.

Germany is a special problem that cannot be deferred. The disposition of "the German question" has enormous importance for the future of NATO and the EC, and for the balance of forces in Europe.

The question of German unification burst onto the European agenda last fall after the dramatic, unanticipated push of Germans west through the hole in the Hungarian border and then through West German embassies in Warsaw and Prague. Protest rallies against the government rapidly turned into demonstrations in favor of unification. "We are one people!" they shouted. West German generosity and hospitality seemed to say the same. The world was suddenly reminded that the existence of East Germany depended on the division of Europe into communist and democratic blocs, and vice versa. A separate democratic East German state makes no sense. One of the first acts of a Germany that enjoyed self-government and self-determination would be to vote for national unification.

Suddenly other countries remembered that there were two divisions of Germany undertaken for two quite different reasons: the first division, carved out by the Allies, was designed to render Germany less dangerous; the second, carved out by Stalin, was designed to consolidate forever

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Soviet power in one part of Germany. Now the fear of a powerful, reunited Germany remains—even when the Soviet appetite lessens.

The very question of unification creates problems: To oppose it risks alienating the Germans forever; to support it means opposing Gorbachev and helping make Germany the most powerful state in the EC.

Gorbachev has made no proposal for the elimination of NATO and the Warsaw Pact, or for a unified, neutral Germany, or a unified Germany of any kind—doubtless because East Germany is an important chip in the high-stakes poker game Gorbachev is still playing.

If East Germany joins West Germany in the EC it would enhance the power of the West and contribute to the isolation of the Soviet Union. As long as the East German state exists, it serves as a bridge between East and West over which Gorbachev can walk on his way to play an important role in the "great European family." Both Germanys still remain dependent on the Soviet Union for progress toward the dream of a single Germany. And as long as Germany is divided the Soviets need not worry about re-creation of a major central European power.

The Soviet government faces two alternatives in Europe. It can try to maintain the status quo, preserve Communist parties and governments (under some guise) and keep Soviet troops and the Warsaw Pact in place. This option requires preserving an East German state and accepting the continued presence of American troops and NATO to protect the continent from Soviet hegemony.

Or the U.S.S.R. could sacrifice the East German state for a unified but neutral Germany, with the expectation that a neutral Germany would mean the end of NATO and of the U.S. military presence in Europe. This option would also re-create a major power—Germany—in the center of Europe.

After the Malta summit in December, the Soviets and the East German government (which is still wholly responsive to Soviet policy) came out squarely against unification. "We say no to reunification," read banners at one demonstration attended by the new East German Communist Party chief Gregor Gysi, the new president, Manfred Gerlach, and the Soviet ambassador to East Germany. But, as I write, word has arrived that Gysi has proposed the withdrawal of all foreign troops from Germany, and the reduction of German forces—

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tantamount to a neutral Germany. Bonn has indicated some interest.

Obviously the United States has a major stake in this. NATO without Germany is not viable, especially since France is not a fully integrated member. An American military presence in Europe outside the NATO framework is not likely to be acceptable either in Europe or the United States. A good many Americans—especially American officials—are as keen to remain in Europe as they are to "help" Gorbachev.

Several moves by U.S. officials have indicated that the Bush Administration has decided to support the Soviet position on reunification, as against the position of West German Chancellor Helmut Kohl. Indicating this tilt, the United States has:

—undertaken a nearly public rebuke to U.S. Ambassador Vernon Walters for commenting that he expected Germany would be unified within five years.

—attended a four-power meeting on Berlin called by the Soviets, thus taking the position that German reunification requires the consent of the World War II Allies. Bush later made this explicit: "Our policy position is that there are certain responsibilities reserved under the Allied powers that have to be considered when you deal with German reunification." (The French have also described this position as "nearly identical" to their own.)

—given East German Prime Minister Hans Modrow and the state he leads a certain credibility and legitimacy—at a moment when mass emigration and political upheaval had put both in doubt—with Secretary of State James Baker's sudden, unexpected trip to Berlin. "I felt it was important that we have an opportunity to let the premier and the people of East Germany know of our support for the reforms that are taking place in this country," Baker told reporters in Potsdam.

—embraced, through the president's statement at the December NATO summit in Brussels, two conditions for reunification, one difficult, one nearly impossible: that unification come about gradually and that a unified Germany retain ties to the EC and NATO.

Both the United States and the Soviet Union may be said to have a kind of objective vested interest in the continued division of Europe. The United States has in common with the Soviet Union the prospect of a significantly reduced future role in Europe. For four decades, in a divided Europe in which

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the Soviet Union maintained control of Eastern Europe, Western Europe needed U.S. help to defend against Soviet forces in a forward position. American military power was viewed as essential to the security of Western Europe, either because West European states were unable to defend themselves or because they (and we) had grown accustomed to the United States shouldering the burden.

If the cold war is over, the United States loses the related economic burdens and also its "superpower" status. It loses a good deal of the influence in Europe and Asia to which many Americans have become attached and accustomed.

NATO is not the only institution that is crucially affected by the question of German unification; so is the EC. Germany outside the Community is unthinkable. But a unified Germany inside the EC would alter the balance of power among the 12, and quite possibly leave Britain and even France more open to adding new members from the East—despite what European Commission President Jacques Delors had said about not admitting new members before 1992. Hungary has already applied for and been granted observer status in the European Parliament. Poland has manifested interest in a close relationship with the EC, and it seems very likely that one or more of the East European countries will apply for formal membership. How that application looks to the 12—when and if it comes—will be influenced by what happens on German unification.

V

The cold war was a direct result of successive Soviet governments' policy of using force to extend and preserve power in Eastern Europe. It will be over when the Soviet Union removes its troops from all East European countries that request it to do so (as the United States once removed forces and abandoned bases in France).

A withdrawal of Soviet forces is prerequisite to the full self-determination and self-government of Eastern Europe. Even though Soviet forces in the region have not been used to preserve entrenched governments, they could be; and there is no guarantee of the policy of Gorbachev's successor. No one can be certain of the Soviet Union's future, and therefore the maximum efforts should be made to make the world safer during the period that the Soviet Union is governed by men ready to reduce force and forces.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Obviously the United States should not agree to treating NATO and Warsaw Pact forces equally. NATO forces are present with the full consent of the host countries. Those countries participate in NATO voluntarily. When the countries of Eastern Europe have chosen their new governments, their decisions about membership in the Warsaw Pact will have a validity comparable to those of NATO members. The withdrawal of Soviet troops from Eastern Europe should be—in the first instance—a matter between East European governments and the Soviet Union, when the East European peoples have elected governments that can make legitimate decisions in their behalf.

Meanwhile, just as the principal goal in Conventional Forces in Europe talks should be deep reductions, the primary goal of arms talks should be arms reductions and destruction, not arms limitations: START, not SALT. The Bush Administration should seek the greatest mutual verifiable reductions compatible with protecting the United States against attack from the missiles of the dozen other countries with the capacity to produce and deliver nuclear and other unconventional weapons of mass destruction.

If troop withdrawal and the destruction of weapons are to come, it will be because the Soviet Union has lost its will to empire and is focused on international development. It will not be because we have devised a perfect agreement.

Americans have a well-known tendency to attempt to settle international disputes by contract. Hans Morgenthau, George Kennan, Henry Kissinger and others have noted an American tendency to legalism in the conduct of foreign affairs. We have attempted to outlaw war by contract, to guarantee human rights by contract, to eliminate categories of weapons by contract. The Covenant of the League of Nations was one elaborate contract authored by Americans. The Charter of the United Nations is another, of which Americans were the principal architects. Arms control agreements are the most common contemporary example of a contractual approach to international affairs.

But such contracts achieve their goals only when they serve the interests and reflect the power relations of the signatories. There is no supranational referee to enforce international contracts, no supranational police to ensure compliance; if there were one, it would be as politicized by interested parties as the United Nations has become.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Contracts are not needed to prevent nonaggressive nations from engaging in aggression, and they do not bind aggressors. No arms agreement is needed to protect us from the nuclear missiles of France and Britain and no arms agreement alone can be relied upon to protect us from potential adversaries. Arms agreements have never succeeded in containing, or even slowing, an arms race—though they have occasionally diverted weapons development onto another track.

However, the destruction of weapons is helpful, especially when it occurs in conjunction with a refocusing of national attention and resources. It is reasonable to hope that sweeping internal reform will bring such refocusing.

The basic problem between the U.S.S.R. and the United States is Soviet expansion and empire. That is the problem in Europe and in so-called regional conflicts. The difficulties will only be resolved as the Soviet appetite for expansion ends, as it seems to be doing. When it does end, the Soviet Union will be willing to halt its heavy flow of arms to Afghanistan and permit the Afghan people self-determination. When it ends the Soviet government will stop organizing and channeling huge arms shipments to Cuba, Nicaragua and Syria. It will cease equipping terrorist groups. It will become part of the solution to these problems.

Until then the United States can attempt to negotiate an agreement that may—or may not—expand areas of peace. But like arms agreements, these will prove unreliable and only marginally helpful. (For example, the United States did not negotiate Soviet withdrawal from Afghanistan. They decided to withdraw and we negotiated an agreement about what would follow—an agreement that did not work well.)

VI

The end of the cold war—when it comes—will inevitably reduce the importance of the U.S. role in Europe. The Soviet threat made NATO and U.S. military power vitally important to Western Europe. NATO is, and from the viewpoint of Europeans always has been, about the defense of Europe. This is its raison d'etre. NATO is the framework through which Americans were integrated into the task of deterring and, if necessary, defending Western Europe against attack. Regular communication and cooperation in this common task strengthened the bonds between the United States and other NATO members. Gorbachev and his colleagues are quite right in believing

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

that removing the Soviet threat removes the reason for large numbers of U.S. forces in Europe.

Is it time to dismantle NATO? The Bush Administration has already begun to scramble to find other functions for the alliance. The central theme—and title—of Secretary Baker's speech at the Berlin Press Club in December was "America in Europe After the Cold War." At about the same time that President Bush, seeking to reinforce NATO, declared that "the United States is and will remain a European power," Baker in Berlin asserted, "NATO will remain North America's primary link with Europe," and proposed new functions for the organization.

Baker's vision of a "New Europe on the basis of a New Atlanticism," with NATO as its central institution, reflects the familiar American view of NATO as a multipurpose alliance of democracies, a view Europeans have always resisted and are likely to continue to resist.

Baker proposed four new functions for NATO in the "new security structure for Europe." France objected to the first—a NATO arms control verification staff—even before Baker articulated it in Berlin. The second—a larger NATO role in dealing with regional conflicts and unconventional weapons—has been successfully resisted by Europe throughout the cold war because almost all NATO countries pursue their own national interests in Asia, Africa, the Middle East and Latin America. This is why it proved impossible to get an effective anti-terrorist policy among NATO countries, why France did not permit overflight of U.S. planes en route to a bombing mission in Libya, why Italy has sometimes limited the right of U.S. planes to land at NATO airbases, and why Germany's foreign office resisted cooperation on sales to the Middle East of the essential elements of a chemical weapon plant. It is why this or that European state has declined to help "resistance movements" in Afghanistan, Angola, Cambodia and Nicaragua. It is extremely unlikely that significant joint planning to deal with these matters can be developed, regardless of what happens in Eastern Europe.

The United States' NATO partners are also not likely to be enthusiastic about Baker's third suggestion: that the West work through the Helsinki Conference on Security and Cooperation in Europe to develop measures to promote human rights and democratic institution-building in the East. West European governments have endorsed Gorbachev's proposal

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

for reconvening the 35 members of the CSCE. They see the CSCE as a place for cooperation and bridge-building to the East and will resist East-West polarization—which in any case will not develop if Poland, Hungary, Czechoslovakia and East Germany complete the transition to democracy.

Finally, American leaders need to face the fact that while most NATO members feel friendly and even grateful to the United States for its help through the long period of Europe's vulnerability, they do not regard the United States as a European power. They have not invited the United States to join the EC and are not about to do so. They are not enthusiastic about declarations like Baker's that we will create a new Europe on the basis of a new Atlanticism. Europeans are already engaged in creating a new Europe on the basis of the EC. They do not see the United States as a "partner" in this process. Americans need to understand this.

Willingness to withdraw U.S. troops also entails risks for Europe. It will leave the Soviet Union the strongest power on the continent. In a relationship between neighbors, one of whom is very strong and one much weaker, the independence and security of the weaker depends simply on the restraint of the stronger. Western Europeans know this. It is not likely that they will seek mutual withdrawal of U.S. and Soviet troops as an acceptable security arrangement. It is also not likely that American taxpayers will accept a prolonged U.S. presence in Europe in the absence of a persuasive Soviet threat.

If things develop in Eastern Europe as expected, Europeans will have new burdens to assume. Americans will have old burdens to relinquish. We will need to learn to be a power, not a superpower. We should prepare psychologically and economically for reversion to the status of a normal nation, still seeking to encourage democratic institutions, strengthen the rule of law and advance American interests.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Michael Howard

THE SPRINGTIME OF NATIONS

In 1989, while the nations of Western Europe celebrated the bicentenary of the French Revolution, the nations of Eastern Europe reenacted it.

The similarities were striking. In every major country east of the Iron Curtain, *anciens régimes* that had lost all ideological credibility had been brought by corrupt and incompetent leadership to the point of economic collapse. As in eighteenth-century France, economic crisis precipitated mass popular discontent, led by intellectuals who had long been harassed by a censorship severe enough to infuriate but not sufficiently brutal to crush them. In some cases—the Soviet Union and Poland—the governments themselves took the initiative (as had the ministers of Louis XVI of France in summoning the Estates General) by opening consultations with opposition elements they had long tried to ignore or destroy. In others—East Germany, Czechoslovakia, Bulgaria and Romania—the regimes simply crumbled (like the French monarchy between 1789 and 1791) before repeated and implacable mass demonstrations.

The process reached a climax on the afternoon of November 9, 1989, when the Berlin Wall, a symbol of oppression at least as gruesome as the Bastille, was pierced by crowds who poured into West Berlin, dancing, singing and weeping for joy. Unlike the events of 1789 all this happened, Romania alone excepted, without the loss of a single life.

We can well understand the feelings of William Wordsworth when he wrote:

> Bliss was it in that dawn to be alive
> But to be young was very Heaven!

The parallel is not altogether a comfortable one. Wordsworth lived to regret his youthful enthusiasm. The fall of the

---

Michael Howard, formerly Regius Professor of Modern History at Oxford, is now Robert A. Lovett Professor of Naval and Military History at Yale University. He is President of the International Institute for Strategic Studies.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Bastille in 1789 was followed by events so terrible that many Frenchmen still wonder whether the revolution deserves to be celebrated at all.

II

There are other analogies yet more disquieting. The French Revolution did not set off an immediate chain reaction throughout Europe, unlike the revolutions of 1848 when, fired by the example of Paris, crowds in Brussels, Vienna, Budapest, Milan and Warsaw poured onto the streets. Barricades were erected, governments collapsed like ninepins, leaving a power vacuum into which moved eloquent but inexperienced leaders, faced with the task of translating into reality the ideals they had been preaching in opposition. They fumbled and fought among themselves. Liberals and radicals found they had as little in common as either had with the old order. The forces of reaction, scotched but not killed, bided their time and struck back. By the end of 1849 order had been restored, the revolutionary leaders were in exile, and tougher if more pragmatic gendarmes had taken charge of the European continent. That Springtime of Nations was over almost before it had begun.

Argument by analogy is an activity that professional historians properly mistrust. For one thing, the events we recall occurred in a context so richly different from our own that we are liable to misunderstand their significance. For another, the memory of those past events is itself a historical determinant. The men and women of 1848 would not have acted as they did had they not remembered the course taken by events in Paris after 1789. Lenin might not have acted as he did in 1917 had he not drawn from the events of both 1789 and 1848 the idea of establishing a "dictatorship of the proletariat" before free elections could bring moderates to power. President Mikhail Gorbachev does not need the expertise of the West to remind him of the fate of the tsar liberator, Alexander II of Russia.

The lesson of 1789 and 1848 is not that events repeat themselves in some Thucydidean fashion. It is that during long periods of peace such as those which Europe enjoyed from 1763 to 1789, 1815 to 1848 and 1945 to 1989, economic and social development engenders a political dynamic of its own. If governments are not responsive to that force they will sooner or later be swept away. Paradoxically the man who discerned and explained this process most clearly was Karl

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Marx himself—a great European philosopher whose works appear to have been as little studied in the Soviet Union as they are in the United States.

In the Soviet Union since 1945 that process was slow but nonetheless inexorable. After a generation of wars and civil wars, the iron framework imposed on the Soviet peoples by Stalin and maintained in its essentials by his successors at least provided a measure of stability and order that made possible the gradual modernization of Soviet society. For Soviet citizens who remembered the early years of the twentieth century, the system was no worse than what had gone before, and there were good indicators in the economy of the 1950s that life was improving. The Western record of boom and slump, unemployment and pockets of Fascism certainly looked increasingly unattractive. Khrushchev cannot have been alone among his fellow-countrymen with his confident prediction to the West, "We will bury you."

By the 1970s, however, it was clear that the Soviets could do nothing of the kind. The socialist system was not, after all, delivering on its promise of rewards in this world—a promise that distinguished it from earlier ideologies whose consolation for human misery in this life was the promise of felicity in the next. Agreed, the earthly paradise had to be deferred. The Soviet peoples had to accept deprivation so that future generations could reap the rewards of their labor. But the Soviet cohorts growing up in the 1970s and 1980s *were* the future generation. They had no collective memory of tsarist oppression, invasion or civil wars. Increasingly literate, intelligent, urbanized, and bourgeois in their inclinations if not in their occupations, they wanted their inheritance now. The aging Soviet leaders relapsed into immobilism and corruption like the cardinals of a decadent church. Only the presence of a few enthusiastic acolytes in the Third World and the continuing military confrontation with the West continued to provide the leadership and its ideology with a raison d'etre.

Gorbachev was thus no fortuitous *deus ex machina*. He was exceptional in his talents rather than in his perceptions; talents first appreciated by Yuri Andropov, who as chief of the KGB had recognized the worsening predicament of his country, and who, before his premature death, managed to maneuver Gorbachev into the line of succession. Not even Andropov, however, could have foreseen the skill with which Gorbachev would consolidate and maintain his internal authority and the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

boldness with which he would unleash the forces of revolutionary change. For five years the world watched astounded as, like an expert skier, Gorbachev used the very steepness of the slopes down which he hurled himself to maintain his balance and momentum. It watched also with apprehension, fearful that at any moment he would come crashing to the ground.

Last year revealed the huge dimensions of the task confronting Gorbachev. The Soviet economic situation worsened. The coal miners, on whose cooperation economic recovery heavily depended, went on strike. Nationalist and ethnic disorders broke out in Georgia, Azerbaijan, Armenia and Uzbekistan. The three Baltic republics mounted demonstrations demanding independence that were impressive for their dignity and restraint. They provoked Gorbachev's ire, but there was no backlash of repression.

The Soviet leader was calm in his handling of the March elections to the Congress of People's Deputies, when Communist Party candidates were defeated even in cases when no alternative candidates offered themselves. Meetings of the congress were televised live, and the scathing criticisms of the regime voiced by the new deputies only strengthened Gorbachev's hand in disposing of the old guard. Predictably he found himself attacked from both sides, radicals who thought he was doing too little and conservatives who thought he was doing too much. When in May he was elected president with greatly enhanced powers by a suspiciously large majority of 95.6 percent, and when a few months later he summoned his chief newspaper critics and berated them for an hour and a half, right-wing critics in the West were able to argue that nothing had really changed; the old authoritarianism was there under a new guise. Anyhow, they gloated, he was clearly bound to fail.

III

The people who watched Gorbachev's discomfiture with the greatest satisfaction, however, were the leaders of the People's Republic of China. They had realized, almost two decades earlier than had the Soviets, that the modernization promised by Marxism would never be achieved without some concessions to a market economy and massive borrowing of capital and technology from abroad. They realized also that such a process could be immensely disruptive unless it was controlled with an iron hand from above. Once an entrepreneurial

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

society had developed, they explained to sympathetic Western visitors, political reform would automatically follow; to introduce it prematurely would be to place their whole future in hazard. The troubles unleashed by Gorbachev's policies in the Soviet Union seemed to indicate that the Chinese leaders were correct.

But the People's Republic could no longer be so insulated from the world that modernization could occur under ideal laboratory conditions. Scores of thousands of young Chinese had now visited the West to be trained in the skills needed for China's development, and they now knew what they were missing. For them and their generation, events in the Soviet Union provided a model to be followed rather than an example to be shunned. An announcement by Chinese Premier Li Peng on April 3, 1989, that his government would not initiate any Soviet-style reforms, followed by the death of pro-reform leader Hu Yaobang on April 15, sparked off student demonstrations, which by the end of the month had coalesced into a huge and continuous mass meeting in Tienanmen Square in the center of Beijing.

Perhaps more skillful leadership on both sides, combined with more sophisticated riot-control techniques, might have avoided the bloodshed that followed on the night of June 3–4, when army tanks moved in and crushed the protesters under the eyes of the world's television cameras. Perhaps the hardliners in the Chinese leadership were determined anyhow to use the occasion as they did, simultaneously to destroy the protest movement nationwide and to purge the party of its more moderate members under Chairman Zhao Ziyang. In any case, an example was set that horrified the world.

The repression, in the short run at least, proved effective. There did not yet exist in China, as in the communist countries farther west, a Marxist-type "revolutionary situation" in which a developed middle class and a powerful industrial proletariat had been fused by their frustration into a serious political force capable of finishing what the students had begun. Like the Europeans in 1848, the Chinese masses in a still overwhelmingly agrarian society remained quiescent and the army loyal. But like the governments of 1848, the Chinese authorities have gained only a breathing space. The more successfully they press on with modernization, the more their power will be eroded. Unless they imitate Gorbachev's courage in embracing the future, the Chinese leaders will be faced, sooner or later, with other Tienanmen Squares.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The June 1989 massacre of Chinese students and their supporters, however, showed the East European leaders of communist regimes that if they wanted to stifle protests in their own countries, that kind of bloodshed was the price they would have to pay. Gorbachev made it clear that he would not do it for them, and only Romania's despot, Nicolae Ceauşescu, had the nerve to do it on his own—at the cost of his and his wife's lives and the slaughter of thousands of his countrymen. In any case, both Hungary and Poland had already passed the point of no return. In Budapest an already liberalized Communist Party bought peace by granting freedom of political association and allowing multiparty elections; the new leaders stopped calling themselves "communists" and dropped the title "Workers' Republic" from the name of the state. More important, Hungary opened its frontier with Austria, permitting a stream of emigration to the West from East Germany that by the autumn had turned into a flood.

In Poland Solidarity, a unique body that was more than a trade union but less than an organized political party, had already established an unassailable position, with the support of the Catholic Church, as the legitimate voice of the Polish people. In January Solidarity was again legalized by the Polish communist regime; in February it was brought into formal consultation; in April it approved a new representative constitution; in June it swept the board in free elections; and in August Solidarity became the senior partner in a coalition government headed by its own man, Tadeusz Mazowiecki. Poland's communist leaders were as reluctant to concede power to the independent labor union as Solidarity was to take it. When Mazowiecki assumed office he confronted an economic nightmare. But Gorbachev forced through a shotgun marriage, no doubt calculating quite correctly that once Solidarity was in power the burden of sustaining Poland's economy would be shifted from the shoulders of the Soviet Union to those of the sympathetic and wealthy West.

Even the most optimistic Western observers did not expect the hard-line communist states of Czechoslovakia and East Germany to fall so easily. For one thing their economies were comparatively successful; their standard of living was respectable even by Western standards. For another, Czechoslovakia and East Germany constituted the frontier provinces of the communist world; it was assumed that military considerations alone would prevent the Soviet Union from allowing them the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

freedom of action possible for their more sheltered neighbors farther east.

But in the autumn the regimes of East Germany and Czechoslovakia collapsed as well. In August tens of thousands of East Germans went on holiday in Hungary and did not come back. Passing through the newly opened Austro-Hungarian border, or directly from Czechoslovakia, the East Germans traveled to West Germany where they knew they could obtain automatic rights of citizenship. By November their number was approaching 200,000, an emigration on the scale that had forced the East German government 28 years earlier to erect the Berlin Wall.

The hemorrhage began, as it had then, to drain the East German economy. In October, mass demonstrations in Leipzig and East Berlin forced the resignation of Erich Honecker and his government. Honecker's successor, Egon Krenz, tried to control the situation by dismantling the Berlin Wall and promising free elections, before he also was swept from power at the beginning of December.

As for Czechoslovakia, a combination of firm warnings from Moscow and increasingly bold street demonstrations toppled the administration of Miloš Jakeš on November 17 and set that country back on the path to democracy from which it had been so cruelly diverted half-a-century earlier. The Balkan satrapy of Bulgaria had already fallen into line, and on December 22 Ceauşescu was bloodily deprived of power.

By the end of the year the communist era in Eastern Europe was only an evil memory.

IV

Even to chronicle the events of 1989 leaves one breathless, and it is still too soon to appreciate their full significance for the future of East-West relations. One thing, however, is clear. The liberation of Eastern Europe occurred not in face of objections from Moscow, but with positive Soviet support. Gorbachev advised the communist leaders in Poland to co-opt Solidarity. He warned both Honecker and Jakeš of the consequences of resisting the stream of history; he kept Soviet troops in their barracks; and (so far as we know) it was he who also advised Krenz to demolish the Berlin Wall. By the beginning of December the Soviet Union and its allies in the Warsaw Pact had explicitly renounced the Brezhnev Doctrine, as the West had been demanding they should for the past twenty years.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The course of those events could only signify a deliberate decision by the Soviet leadership to withdraw from the affairs of Eastern Europe. Soviet troops remained, but they were now on alien if not hostile territory. Events had undoubtedly moved far faster and further than Gorbachev had expected, but still, he must have believed that any loss in military security would be outweighed by the abandonment of a huge political liability.

Gorbachev no doubt further calculated that the West would be compelled by public opinion to respond with some dismantling of its own military structure. Skeptics in the West maintained that this had been the Soviet objective all along—that behind the Soviets' pacific professions there lay the Machiavellian intention of dividing the United States from its European allies. Others accepted Gorbachev's assurances at face value. It seemed quite logical that he should want to end a confrontation as unnecessary as it was counterproductive, and rejoin the world from which the Soviet Union had turned away seventy years before. Whatever Gorbachev's intentions, by the end of 1989, Eastern Europe was free and seemed likely to remain so. If this produced problems within the Western alliance it did not seem an excessive price to pay.

V

How was the West to respond to all this? In the United States a new president had taken office at the beginning of the year. In spite of his long familiarity with affairs of state, George Bush was an unknown quantity: an affable and apparently rather weak man who needed to reassure his party's hardliners that he was "hard-nosed" and "tough." His presidential term began badly. Bush arrived in the White House after an electoral campaign whose combination of triviality and personal abuse had been watched by overseas friends of the United States with amazement and by intelligent Americans with shame. He was initially surrounded by advisers who seemed to see little difference between the conduct of American foreign policy and that of an election campaign. For them, Gorbachev simply replaced the Democrat Michael Dukakis as an adversary who had to be upstaged. Gorbachev's policy initiatives were seen as ploys to be countered, and his regrettable skill at seizing the headlines needed to be met by comparable Madison Avenue techniques.

From the American media, as usual, came insistent demands

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

for dynamic leadership and policy initiatives—sweeping arms control proposals, spectacular budget cuts. Congress equally demanded budget cuts but insisted that the United States should not let down its guard. Hard-line conservatives, who had been losing power even in the final months of the Reagan Administration, warned that even if Gorbachev was "for real" he was atypical and would be swept away by stronger forces that would reestablish the traditional Soviet threat. What kind of policy would Bush fashion out of all this?

Fortunately the president's learning curve was steep. The advice of the foreign policy and intelligence communities, the views of his European allies and the rapport established between Secretary of State James A. Baker and Soviet Foreign Minister Eduard Shevardnadze all combined to convince Bush that Gorbachev was indeed "for real," a responsible colleague in the reshaping of the world order rather than (in the unfortunate phrase of presidential spokesman Marlin Fitzwater) "a drugstore cowboy."

During the spring the Soviet Union initiated the unilateral reduction of its forces in Eastern Europe, which Gorbachev had promised at the United Nations in December 1988. In May 1989 both the United States and Soviet Union submitted proposals for conventional arms reductions in Europe within negotiable reach of each other. In the light of these reductions, President Bush was able quite skillfully to defuse the wrangling among his European allies over whether new land-based tactical missiles should be installed in West Germany to replace those removed under the Intermediate-range Nuclear Forces Treaty in 1988. Strategic Arms Reduction Talks were resumed in Geneva in June, albeit without any evident sign of progress. The United States still refused either to abandon the Strategic Defense Initiative or to submit its naval forces to any kind of arms control. But both leaders made it clear that they now expected results from arms control negotiations. Congress, facing the consequences of the gigantic deficit run up by the Reagan Administration, began to expect them as well.

When Presidents Bush and Gorbachev met for an unscripted discussion at sea off the island of Malta in December (a choice of venue that starkly illustrated how little either knew about the Mediterranean and its winter climate) all, except the barometer, seemed set fair. Bush laid out a program of economic cooperation to ease, however marginally, Soviet domestic problems. He and Gorbachev agreed to press on with

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

arms reductions at a rate that left some U.S. officials shaking their heads. Both leaders confirmed their conviction that the peoples of Eastern Europe should be allowed to find their own way to freedom, without intervention by the superpowers. And they took their first look at a totally unexpected possibility that, whether they welcomed it or not, lay beyond the power of either to prevent: the reunification of Germany.

The assumption by the overwhelming majority of Western observers (including the present writer) that East Germany was the most stable and successful of the Soviet satellites had inhibited any serious speculation, let alone planning, about what would happen if the regime there collapsed. The best expected was some liberalization that would make possible a greater degree of *Annäherung* (rapprochement) with the Federal Republic of Germany. The initial October demonstrations in East Germany against Honecker had indicated no popular demand for German reunification, and the emerging opposition groups were explicitly set against it. Professing socialists as they all were, absorption by their wealthy capitalistic cousins was not the destiny they preferred for their country.

By the end of November, however, the cry *Deutschland einig Vaterland* was being bellowed out by the crowds of Leipzig. That response may have been a gut reaction against not only the detested regime but also the entire state apparatus that it had created. It may have been a simple desire to share as quickly as possible in the West's material advantages of which they had been deprived for so long. It may have been atavistic nationalism of a kind highly unwelcome to their Polish neighbor, to name only one. But it meant that, however sincere Western leaders like Margaret Thatcher were in saying that German reunification was "not on the agenda," they were badly mistaken. Reunification was very much on the agenda for the Germans themselves. Chancellor Helmut Kohl surprised and discomfited his allies but delighted the deputies of the Bundestag when he announced on November 28, without prior consultation, a program by which he hoped to achieve it.

By its constitution's Basic Law the Federal Republic was pledged to seek German reunification. Its allies had equally pledged themselves to support this goal. But the entire postwar structure of Europe had been created on the basis of two distinct and independent German states. Their reunification would involve radical change of a kind less welcome to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Germany's neighbors than their political leaders liked to admit. There was little fear that a reunited Germany would revert to the hideous policies of the Third Reich, but its East European neighbors, much as they might enjoy German economic aid and investment, looked with no enthusiasm on the revival of German political power. As for the European Community, the prospect of so large an increment to the population and economic potential of the Federal Republic created problems of balance of an all too familiar kind—one that evoked historical sensitivities especially in France.

Given the strong economic, political and military links established between the Federal Republic and its Western neighbors, and given also the virtual dissolution of the Warsaw Pact, a neutral Germany was almost unthinkable and not seriously discussed. But would a reunited Germany embedded in the West be tolerable to a Soviet Union whose security interests the United States had tacitly undertaken to observe? If the alliance structures remained, would the presence of Soviet forces in the eastern territory of a reunited Germany be compatible with German sovereignty? If Soviet troops were withdrawn, would the presence of American forces be seen as necessary, either by the Germans or the United States?

Those were some of the huge questions that confronted statesmen of both East and West at the end of the year. Barring a total reversal of Soviet policy, which became less likely with every passing day, it was clear that the answers lay neither in Washington nor in Moscow but in Europe itself, and that the superpowers would have to adjust to whatever decisions the Europeans made about ordering their own continent. Never had the cries for American leadership, which continued to emanate from Congress and the media, sounded so archaic. The low-key style favored by President Bush may have irritated Americans who looked for drama and headlines, but the qualities on which he prided himself—prudence, caution, concern for allied susceptibilities and a thorough understanding of the issues—were as appropriate to the new conditions in Europe as President Truman's rugged courage had been forty years earlier.

George Bush reassured the allies that American troops would remain in Europe for as long as they were wanted. He reassured President Gorbachev that the United States would not exploit the situation to the Soviet disadvantage. Given the extraordinary concatenation of events, Europe was as fortu-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

nate to have Bush in the White House as they were to have Gorbachev in the Kremlin.

VI

For the nations of the European Community these new problems could hardly have presented themselves at a less convenient moment. They were already deeply at odds with one another. Under the urging of the extreme centralist president of the European commission, Jacques Delors, with the backing of his countryman François Mitterrand, the Community was being driven toward the target date of 1992, by which time an entirely free market was due to be created, at a speed that alarmed the British—or at least their idiosyncratic leader Margaret Thatcher. The further steps of creating a single convertible currency, a central bank and homogenization of labor regulations were ones that she refused even to visualize, and at European summit meetings she repeatedly found herself in a minority of one.

For the British, the sudden emergence of the new German question—together with the not improbable eventuality of the countries of Eastern Europe demanding associate membership—seemed a good opportunity to pause and take stock. For the French it seemed even more important than ever to lock the Federal Republic into an indissoluble West European system before Bonn began to develop independent yearnings towards the East. At the final European summit in Strasbourg in December Chancellor Kohl, anxious to show that his government's commitment to reunification did not affect its commitment to the West, again sided with the French. President Bush gave clear support for the rapid achievement of European unity. Domestic developments in Britain strongly indicated that Mrs. Thatcher was not politically immortal. In spite of her resistance the development of a strong, centralized European Community, capable of absorbing East Germany and acting independently on the political scene, seemed by the end of the year to be more probable rather than less.

"The German question," as Kohl himself stressed, could only be solved within a European context. It was not only the frontier of Germany that would be moved east if reunification took place, but that of Europe as a whole. President Gorbachev spoke movingly of the creation of "a Common European House." Whether there would be room in such a house for the Soviet Union was problematic, but the establishment of dem-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ocratic regimes in Poland, Hungary, Czechoslovakia, East Germany and even Romania, all economically dependent on the West, meant that it would certainly stretch "from Brest to Brest," and that Germany would be at the heart of it. Within that framework it was not too difficult to visualize links between the two Germanys developing from the financial and the administrative to the political, leading to a confederal structure as close or as loose as circumstances demanded. There were plenty of models to choose from in Germany's past. Whether the German Democratic Republic would be able to maintain any separate identity, however, remained to be seen.

It is also shared opinion between East and West that the two alliances should remain in being, to ensure stability during a transitional period likely to be turbulent. It will not now be easy, however, for the military of either side to get anyone to take seriously their demands for modernization. Military planning and updating to meet the traditional "threat" will seem increasingly unreal. Conventional arms reductions indeed may well outrun formal agreements.

As for the situation at the end of this transitional period, it remains undefined. Events in Europe have moved too fast for anyone, East or West, to clarify their new strategic objectives. But two developments must be reckoned with.

First, a reunified Germany, whenever and however it comes about, would mean a reunified German army, with all that it implied in the enhancement of West European military potential. Second, the political withdrawal of the Soviet Union from Eastern Europe would mean the withdrawal, sooner or later, of Soviet military forces. The Finlandization of the area—the creation of a neutral belt over which the Soviet Union would have a *droit de regard*—would be the appropriate result. Under these circumstances the American troop presence could be reduced to the maintenance of base installations for mobile and predominantly maritime forces. All these options now seem to be open, and it is hardly premature to begin thinking of them. Prudent statesmanship would suggest a transitional period extending over at least ten years, but events have a habit of running ahead of prudent statesmen.

VII

1989 was indeed "the Year of Europe," in a far more profound sense than that announced with such Olympian

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

condescension by Henry Kissinger 16 years ago. Events on so seismic a scale have occurred nowhere else in the world. But disturbing long-term processes have continued that may force their way to the front of tomorrow's agenda. Conflicts in the Middle East and Central America remain unresolved and apparently unresolvable. Racial confrontation continues in Southern Africa together with starvation and civil war elsewhere on the continent. Sophisticated weapons still proliferate to unstable Third World countries; and among Islamic fundamentalists there remains a sullen and inextinguishable hatred of the West and all its values.

More disquieting has been the continuing inability of Third World countries to absorb their rapidly multiplying populations, and the magnetic attraction of those wealthy Western societies that cannot prevent their poorer neighbors from crossing their borders and eking out a living; thereby creating internal social and political tensions of a deeply alarming kind. For the nations of southern Europe, Spain, Italy and France, the Mediterranean rather than the Elbe has for long been emerging as the real front line, as has the Rio Grande for the United States and perhaps the interface between European and Asiatic Russia in the Soviet Union. One can become too apocalyptic about the future. The world is not about to become engulfed in a global race war. But the end of the ideological cold war will only reveal the vast dimensions of the problems still confronting us. History will go on and it will be far from boring.

The end of ideological confrontation, however, should have one far-reaching consequence for the affairs of the world. The Soviet Union (barring its total disintegration) will remain a great power and will continue to pursue its interests throughout the world; but those interests will be as likely to lie in cooperating with the West as in opposing it. The Soviets may no longer see it to be in their national interest to support every revolutionary movement in the Third World that, professing Marxism-Leninism, turns to Moscow for help.

Conversely Washington may no longer feel it necessary to support any regime, however brutal, corrupt and arbitrary, that opposes communism. The emergence of an agreed settlement over Namibia is almost as hopeful a portent of such cooperation as events in Eastern Europe. The Soviet Union may find it as hard to control the policies of Cuba as does the United States those of Israel, but Moscow is bound to realize

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the profound unwisdom of even appearing to countenance revolutionary regimes in Central America. Then the United States may abandon its neurotic obsession with that unhappy region and cease picking at it like a scab, by its constant interventions creating the very wounds it is trying to heal. The United States might also come to appreciate that an Afghanistan stabilized under Soviet influence might suit U.S. interests better than one controlled by Muslim fundamentalists. Ideologues nourish one another, and the eclipse of those in Moscow should at least erode the passions of their *doppelgänger* in Washington.

What, finally, of our disquieting historical analogies? Will liberation inevitably be followed by anarchy, reaction and renewed repression as in the earlier Springtime of Nations? The exact pattern of events is unlikely to repeat itself for the reasons already given, but no one can be under the illusion that the next ten years in either the Soviet Union or in Eastern Europe will be happy or easy ones. To free oneself, as André Gide once remarked, is only the beginning. The real problem is to live in freedom.

But there is another analogy perhaps even more pertinent than those of 1789 and 1848. In 1919 President Woodrow Wilson visited Europe and was hailed by ecstatic crowds in London, Rome and Paris as a peacemaker, a statesman whose vision and wisdom had ended a terrible war and now promised perpetual peace. No less well-deserved enthusiasm has greeted Mikhail Gorbachev on his visits to the West; but as with Wilson, support for him at home is muted and his domestic problems accumulate. The question insistently presents itself: Whatever his own transcendent abilities and undeniable goodwill, can Gorbachev bring his own country with him? Or will the new European order he is trying to build collapse as did Woodrow Wilson's, for lack of the essential support that his own country alone can provide?

To this question 1990 will no doubt provide the answer. There may indeed be a backlash, bringing to power a tough, authoritarian regime that will put an end to both glasnost and perestroika. But authoritarian regimes, as Jeane Kirkpatrick has so frequently reminded us, are not totalitarian regimes. However brutal, a new regime could not restore the exploded ideology of Marxist-Leninism. Any future Soviet leader would still have to solve the same problems that brought Gorbachev into power and to recognize, like Gorbachev, that the solution

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

lies in good relations with the West, a reduction in military expenditure and a renunciation of global ambitions. As for the reimposition of Soviet rule on an Eastern Europe from which every shred of communist legitimacy has now disappeared, it is hard to see what benefits Moscow would hope to set against the enormous and calculable costs. A post-Gorbachev Soviet Union, like the post-Wilsonian United States, might relapse for a time into self-absorbed isolation within its own borders. The West could live with that outcome. Our relations with the Soviet Union would be no worse (if no better) than those with the People's Republic of China. But that is the worst outcome that can plausibly be visualized: not agreeable, certainly, but considerably more tolerable than anything that has gone on before.

Whatever happens, the structure of world politics has been changed, and changed irrevocably. The problems that those changes present to our statesmen are urgent and complex, but never has there been a better opportunity—not in 1945, not even in 1918—to construct a new order that will finally defuse Europe as a focus of world conflict and allow it to reemerge, after nearly a century of pain and horror, as a dynamic and stable center of prosperity and peace. However inadequately those opportunities are grasped, 1989 is likely to be seen as a historic turning point, one ending the catastrophic era that began in 1914. It has been an *annus mirabilis*: a truly wonderful year.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Jim Hoagland

EUROPE'S DESTINY

A year of revolutionary change has given Europeans, East and West, a new vision of a common destiny distinct from the ambitions and needs of the Soviet Union and the United States. In impoverished Eastern Europe, 1989 brought a glorious upheaval against a dying order; in the prosperous West it brought an adjustment both hopeful and apprehensive. The rush of change and the echoes it produced across the continent affirmed that Europe still exists as a political and strategic entity, even after four decades of cold war division and, in the East, subjugation and tyranny. Finally and unabashedly, it was the Year of Europe, beyond any policy planner's dream. The long winter of world conflict based on the division of Europe seemed to be approaching an end.

While visible and radical changes were occurring behind a collapsing Iron Curtain, more subtle but nonetheless fundamental shifts in power balances were under way in the western part of the continent. West German influence on European events became dominant, filling much of the vacuum created by the Soviet political retreat and a small but perceptible American retrenchment.

Throughout the year both superpowers centered their most important diplomatic and political strategies on West Germany, at times in competition, at times in tacit consent to Bonn's new position of strength. The same was true of Bonn's partners in the European Community (EC). French diplomacy was occupied with trying to guide and control West Germany's power, especially after Bonn made clear its intent to pursue German reunification actively. Britain's Prime Minister Margaret Thatcher sought, more simplistically, to deny and then to obstruct German power in NATO and in economic affairs. She failed on both scores, and her prestige suffered at home and in Europe as a result.

The whirlwind of change that swept over Eastern Europe

Jim Hoagland is Associate Editor and Chief Foreign Correspondent of *The Washington Post.* His column on foreign affairs is syndicated by The Washington Post Writers Group.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

was created in a nexus of Soviet weakness and West German strength. The results, which promised to fulfill Roosevelt's vision of Yalta and overcome Stalin's corruption of the outcome of that conference, came without significant U.S. involvement. The opportunity to play a reactive role while events moved favorably for U.S. interests fit President Bush's desire not to commit American prestige and resources too deeply to a suddenly unpredictable Eastern Europe.

Both Washington and Moscow responded to the changes by talking of transforming the military alliances they head into political organizations. This was another way of recognizing that the superpowers must increasingly take into account, and even accede to, Europeans' own choices about their new defense, economic and political arrangements.

II

What is "Europe"? A theoretical question for most of the past forty years, the existence and meaning of Europe dominated international politics in 1989. Defining Europe became a practical problem that regularly was addressed by the world's two most powerful politicians, Mikhail Gorbachev and President Bush. The task of describing their respective visions of and intentions toward Europe lay at the heart of their meeting at Malta in December. After spending much of the year in verbal competition to describe what the new political order in Europe might look like, together at Malta they began to seek a strategic architecture that would restrain the potentially destabilizing aspects of the year's rapid change.

Gorbachev's "Common European Home" and Bush's "Europe Whole and Free" were competing concepts. But they described the same situation, produced by an economic and ideological collapse of Soviet power at the same moment that the European Community appeared to be gaining new dynamism and economic clout. The most urgent task for each leader was, first, to understand and deal with the changes occurring within his own European camp, and then to sort out how they affect the other side.

The Europe of "dual hegemonies," to use Raymond Aron's apt phrase, was ending. The year's events demonstrated that forty years of Soviet occupation and tyranny in the East and protective but intrusive American presence in the West had not obliterated the sense of a common destiny and common heritage on both sides of the Iron Curtain. In Poland, East

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Germany, Czechoslovakia, Romania and Bulgaria, citizens freed from the threat of Soviet military assault seized the chance to demonstrate that they assign the same meaning to the word "democracy" as do the citizens of Western Europe. Instead of forcing cultural and political memory to fade, as Milán Kundera and other exiled writers had feared, foreign hegemony probably has intensified the European quest for a distinct, overarching continental identity—a result not totally unlike the forging of nationalism in Third World countries in opposition to colonial rule.

The cold war caused large numbers of Europeans to think broadly and seriously about their continent as a political and strategic entity. The cold war created a resolve among Europeans to offer their own solutions to the problems that brought nuclear-armed superpower armies to the brink of conflict in the heart of their continent. Those solutions will have to be found in conjunction with Washington and Moscow, but the events of 1989 mean that the future will not be determined by the wishes of the superpowers alone.

As important as the political concord that existed on both sides of the Iron Curtain were the growing economic disparities. East Europeans feared being left behind permanently. Two generations of life under the imposed Soviet economic model had left them at a dead end, while the EC nations looked to be taking a quantum jump into new prosperity. When Poland pushed ahead to incorporate free market mechanisms into its economy, and was allowed by the Soviet Union to appeal to the West for help in doing so, the beginning of a revolution was discernible.

The devolution of power and responsibility to the Europeans is still tentative. It is significant that, while Gorbachev and Bush were insistently describing their visions of Europe's destiny beyond the cold war, no European leader produced his or her own separate phrase or description of the future that captured public attention or inspired diplomatic activity.

In these circumstances the visits of Gorbachev and Bush to Europe in 1989, and their other contacts with the continent's leaders and institutions, crystallized the year's most important trends. The superpowers continued to set the stage, or clear the way, for the major events of the year. Europe now faces the challenge of taking charge of its destiny and ensuring that 1989 is one of the last years in which the future of the continent is determined elsewhere. Suddenly the notion of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

European self-determination no longer seems terribly improbable.

III

President Gorbachev has demonstrated a deep understanding of the consequences of the decay of the East European bloc and the acceleration of the economic integration of the West. He has advanced the "Common European Home" as a device to put Soviet relations with both halves of Europe on a new basis, to reduce the Soviet Union's burdens and risks in the East while increasing its access to capital and technology in the West. It is unknown if he intended all along to lessen Soviet control in the East or whether events forced him onto this course. What is clear is that Gorbachev has consciously accepted a smaller and changed Soviet role in Europe in hopes of consolidating an eroding position at home.

Gorbachev seems to have come to the strategic conclusion that the exercise of Soviet military power abroad—including its armed interventions in Eastern Europe—has led directly to the political and economic disasters that now afflict the U.S.S.R. New interventions abroad, he recognizes, would make it impossible to concentrate Soviet energies, including those of the military, on the difficult task of resuscitating the Soviet state and economy.

Gorbachev has accepted the need for Europe to be re-created so that he can re-create the Soviet role in Europe. It is this acceptance, and his decision not to enforce ideological uniformity in the Warsaw Pact, that make 1989 as historic a year for Europe as were 1848 and 1945.

The obvious corollary to this conclusion is a Soviet need for calm on the international scene so that Gorbachev's domestic perestroika can begin to work, aided by financial and technological inputs from the West. Gorbachev explicitly recognizes that a good working relationship with the United States is a precondition for international calm and the opportunity to develop a new economic and political relationship with America's European allies.

Gorbachev's visits to Western Europe during 1989 sought to give content to the "Common European Home" concept he had only briefly sketched before. By appropriating Charles de Gaulle's Atlantic-to-the-Urals geographic definition of Europe, he prescribed a Soviet presence and role in the Europe of the future. As events caused his concern over German

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

reunification to mount, Gorbachev put new emphasis on a Pan-European Conference—a "Helsinki II"—to design the Common Home. The contours of the borders that were fixed by World War II and the reach of the two postwar ideological systems would be softened, but they would be maintained. By stressing reliance on the Helsinki format, he also acknowledged a rightful future American role in a political Europe that would overlap the geographically defined Europe he originally described.

When Gorbachev visited West German Chancellor Helmut Kohl in Bonn in June, German officials said he signed without quibbling a broad joint declaration on European security that differed little from the original West German draft. For example, Bonn's insistence on including mention of a future U.S. role in Europe was accepted quickly by Gorbachev. Furthermore, the part of the trip that seemed to most spark his interest was a gathering in Cologne with West German businessmen, whom the Soviet leader hectored for not investing more in the Soviet Union. He committed himself to discarding the Soviet "administrative-and-command system" in order to improve his country's chances for investment and economic growth.

Gorbachev's visit to West Germany confirmed that he saw Bonn as the key to the reconstruction of Eastern Europe and the hopes of Soviet citizens for a better life. A subtle shift had occurred that later would become dramatically clear when, on November 9, the Berlin Wall swung open.

Until recently, conservatives and liberals alike assumed that the process that began with Willy Brandt's Ostpolitik would continue into the foreseeable future. Accommodations and arrangements between Bonn and other Warsaw Pact capitals, including East Berlin, would continue to take place on Moscow's terms. The Soviets would sit and wait, as they had under the guidance of longtime Foreign Minister Andrei Gromyko, for West Germany to extend greater financial concessions and political legitimacy to the East European regimes. In return, Moscow would allow liberalization of travel and improved living conditions in Eastern Europe.

In fact Ostpolitik, like its American cousin "differentiation" (a sophisticated name for what Washington called alliance-splitting when practiced by the Soviets), quietly was being rendered obsolete by Gorbachev's then still evolving "new thinking" on Eastern Europe, and by the economic pull West

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Germany was exerting on the Soviet satellites. Change now could come on terms set by West Germany, once the Soviets loosed their grip on Eastern Europe. And they soon did.

In his July 6 speech before the Council of Europe in Strasbourg, the Soviet president publicly set a course that would let the discredited communist regimes of Eastern Europe sink if they could not solve their own problems. Although it would be several months before the commitment behind his words would become clear, Gorbachev had lit a burning fuse that in autumn would set off a rapid series of political explosions throughout Eastern Europe.

Gorbachev told the 23-nation council, which is committed to furthering the rule of law and human rights:

> The philosophy of the 'Common European Home' concept rules out the probability of an armed clash and the very possibility of the use of force or threat of force—alliance against alliance, inside the alliances, wherever. This philosophy suggests that a doctrine of restraint should take the place of the doctrine of deterrence. This is not just a play on words but the logic of European development prompted by life itself.

The statement of intent to cut the East European glacis free from direct Soviet control became even more clear during Gorbachev's speech in East Berlin on October 6 at the celebration of the 40th anniversary of the founding of the German Democratic Republic. The Soviet leader declined to join in the direct attack launched by then East German leader Erich Honecker on the Bonn government and instead used the occasion to call for the continuation of "a series of mutually advantageous and satisfactory arrangements" concluded between Bonn and Moscow. He did not want to have to choose between West and East Germany. Both are central to Soviet aims.

The totality of Gorbachev's public remarks in East Berlin sent a clear signal that he would not order Soviet troops to rescue Honecker's increasingly shaky regime. When enraged crowds were permitted to drive Honecker and his short-lived successor Egon Krenz from power, the "old thinkers" in Prague and Sofia were marked as next in line—and they soon capitulated. (Their example then helped stir Romania into a successful revolt against Nicolae Ceauşescu, who had sought to ensure his survival by staking out an independent stance against Moscow years before Gorbachev came to power.) Gorbachev's only apparent plan for East European reform was

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

his decision not to direct Soviet troops—or the East German, Czechoslovak and Bulgarian troops which presumably remained under Moscow's control—to quash the massive but peaceful protests that stunned the world in the autumn of 1989. That was enough to take Europe a big step beyond Yalta.

IV

While 1989 was certainly the Year of Europe, it was even more precisely the Year of Germany. Bonn played the pivotal roles in the main East-West and West-West events of the year. Bonn provoked and then papered over the year's only serious dispute within NATO, which was over the future of tactical nuclear weapons. It was West Germany's sustaining and, to a great extent, guiding of the flight of East German citizens to the West that quickly triggered the downfall of Honecker and his Socialist Unity (Communist) Party. Chancellor Kohl's government advanced the discussion of German reunification from the theoretical stage to a position of widespread acceptance: The EC formally endorsed Bonn's reunification goal at its December summit in Strasbourg in a tacit bargain for West German support of a timetable for European monetary integration. In 1989 West Germany's ability and willingness to use its economic power to accomplish its political aims, particularly in relation to Eastern Europe, became apparent and relevant to all.

German reunification has become an urgent item. The reunification debate is propelled forward by the collapse of authority in East Germany and by Kohl's decision to push the issue with his own ten-point reunification plan, announced on November 28. These two developments created consternation among Bonn's allies and in Moscow. Both sides' efforts to slow the rapid dissolution of barriers between the two Germanys temporarily eclipsed their earlier efforts to woo Bonn. But Kohl did not change direction on unity, as shown by his visits in December to Dresden and then, briefly, to East Berlin when a border crossing was opened at the Brandenberg Gate.

Understandably concerned that their efforts would be misrepresented as bribery, reunification-mongering or worse, West German officials were discreet about the incentives they offered to East European regimes to test the limits of Soviet control and to begin to bring down the Iron Curtain. But enough is known to suggest that, at key moments, West

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Germany reminded East Germany—and the other East European satellites—that they had much to gain from West Germany now, and perhaps from the EC later, by committing themselves to reform.

Bonn was almost certainly directly responsible for Hungary's decision to reopen its frontier with Austria on a permanent basis and allow all East German refugees who wanted to cross to the West to do so. The decision, which breached Warsaw Pact solidarity and opened a hole in the Iron Curtain, was revealed to the West Germans during an August 25 meeting between Chancellor Kohl and Hungary's Premier Miklós Németh at a Rhine castle outside Bonn. Németh told Kohl that Hungary had taken "a sovereign decision" to reopen the frontier, despite East Germany's appeals for Warsaw Pact unity. The Soviets, Németh added, had been advised of the move and "have not said no," according to a confidential report of the meeting. After discussing the border issue, the two leaders began to discuss aid for Hungary and Budapest's desire for associate membership in the EC.[1] Later, on September 10, Hungary officially announced that it would not honor East Germany's requests to keep the frontier closed.

At the end of November, West German Foreign Minister Hans-Dietrich Genscher flew to Budapest to sign formally a 500-million mark ($279 million) untied loan to the Hungarian government. Genscher, the Paris daily *Le Monde* noted acerbically, expressed his "gratitude" to the Hungarians and promised to look favorably on Hungary's bid for EC associate status, while Hungarian Foreign Minister Gyula Horn spoke favorably of German reunification.[2]

When travel by East Germans to Hungary subsequently was forbidden, and when, as a consequence, Bonn's embassy in Prague began to fill with refugees, a quiet exchange of messages also occurred between West Germany and Czechoslovakia. After an initial police effort to keep the East Germans out of the streets around the embassy, the Czechoslovaks adopted what one West German official later approvingly described as a "hands-off" attitude toward the problem. But despite this feeble effort at moderation, the Prague regime,

[1] See my account in *The Washington Post*, "Hungary Had Soviet Approval," Sept. 17, p. A-1. The thrust of the article was publicly confirmed by Mátyás Szürös, a senior Hungarian official visiting Washington the following day.

[2] "Le 'Gratitude' de M. Genscher," Nov. 28, p. 3. The newspaper's resentful and mocking tone accurately reflected the tenor of French-German relations at that point.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

too, soon was caught between the pull of West Germany and the new reluctance of the U.S.S.R. to intervene in support of allied governments. Just one month after Honecker's fall from power in East Berlin, the Czechoslovak Politburo headed by Miloš Jakeš crumbled after it was challenged for several days in the streets of Prague.

Longtime East German Premier Willi Stoph resigned on November 7, to be replaced the next day by Hans Modrow, the politician most closely associated with the East German party's small reform wing. The new premier built his first speech around East Berlin's desire to put relations with Bonn on a higher "contractual" level and to welcome West German investment and economic cooperation. The decision to open the Berlin Wall, which immediately followed Modrow's selection, was meant to stimulate traffic in both directions, inviting West Germany into the once closed East largely on Bonn's own terms, which included a promise of free East German elections.

Aware of the intense suspicions many in the West still harbor of German nationalism and intentions, Bonn kept Washington closely informed of its discussions with Budapest and with the other East European regimes during the critical transition phase. Since Washington considered the result favorable to America's interest, requiring no direct American involvement, it joined Moscow on the sidelines as a spectator while the history of Central Europe was remade.

Only when Kohl launched his ten-point unity plan calling for the establishment of "confederative structures" between the two Germanys (without providing a timetable) did Moscow and Washington grow uneasy with Bonn's exercise of its power. Before its announcement, Kohl kept the substance of his plan secret from Moscow, from his Western allies and even from Genscher. His point in doing so was to stake out reunification as a matter for Germans to decide. This remains Kohl's intention, despite his acceptance that the four victors of World War II, along with the EC, would be consulted on how and when reunification would be achieved, a concession made following a meeting of the four powers in Berlin on December 11, at which they underscored "importance of stability."

An important conclusion to draw from 1989 is that German reunification will not be achieved on terms dictated by the Soviets. It will not inevitably require a new Rapallo and the neutrality of the new German entity, as Stalin demanded in his

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

proposal of 1952. The de facto drawing together of the two Germanys that was well under way as the year ended was happening on the basis of Western democratic freedoms and economic reforms being established in the existing East German state. The balance of forces is such that today the Soviet Union can hope for no better that an "Austrianization" of East Germany, i.e., a withdrawal of Soviet troops in return for a permanent, externally guaranteed neutrality for an East German state, in the context of a final peace treaty ending World War II.

This could be the Soviets' last effort to prevent reunification. Moscow today is incapable of imposing a "Finlandization" of West Germany through the kind of neutrality-for-reunification swap Stalin dangled in 1952. And even the "Austrian" option is rapidly eroding, as Gorbachev seems to be acknowledging when he declares that "history" will decide the German question.

Although Gorbachev directed menacing words at Bonn soon after Kohl's reunification plan was announced, warning Genscher on a visit to Moscow against "blowing on the flames" by pushing for reunification, his comments seemed directed at meeting criticism at home. Thus, whereas Gorbachev told the Central Committee of the Soviet Communist Party on December 9 that "we firmly declare that we will see to it that no harm comes to the German Democratic Republic," he was quick to add expressions that showed he had not changed his views on the new realities in central and Eastern Europe:

> This is not to say that relations between the German Democratic Republic and the Federal Republic of Germany cannot change. Peaceful cooperation between them can and must develop. As for the future, it will take shape in the course of history, the framework of the development of the general European process.

V

George Bush came to the American presidency with many assets for dealing with European affairs—but he was soon faced with two looming problems.

The assets were apparent to the European ambassadors, businessmen and leaders who met with Bush throughout the year. He is genuinely interested in and knowledgeable about European affairs and diplomacy in general. He could and did talk Italian politics in detail with visitors from Rome; British

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

officials were struck by his relentless quizzing about the access to China's leaders enjoyed by their ambassador in Beijing, Bush's old post. In five hours of conversation at his vacation home in Maine, Bush's probing interest in recent French history and its relevance for today's problems impressed French President François Mitterrand.

Bush did not seem distracted by what Europeans consider to be the exoticism of the Strategic Defense Initiative, nor—at least until the U.S. invasion of Panama in December—did he seem preoccupied by what they view as the peripheral conflict in Central America. If Bush's hands-off style made him at times "hard to hear and difficult to reach" (in the good-natured phrase of Sir Julian Bullard, Britain's former ambassador to Bonn), Bush's evident caution and reflectiveness provided a welcome contrast to the sometimes erratic diplomatic styles of Presidents Reagan and Carter.

Bush's European problems, on the other hand, were Gorbachev and the Germans. The Soviet leader's stunning announcement to the U.N. General Assembly in December 1988 of unilateral force reductions of 500,000 soldiers and 10,000 tanks, made just six weeks prior to the new American president's inauguration, persuaded Bush that the two leaders were now locked in a battle for European public opinion, centered on West Germany. Fears lingered that the Soviets were angling to play the "German card," i.e., to lure West Germany into a deal that would trade reunification for neutrality. The public relations contest dominated the important first months of the new administration, and policy toward the rest of Europe seemed to idle.

This approach guaranteed that West Germany would be at the center of American policy toward Europe. The effect, in turn, was to convey even more power and opportunity for initiative to West Germany than it would have had otherwise in this year of transformation. Kohl and Genscher were quick to sense this and use it.

After the political impact of Gorbachev's U.N. speech registered (and after some murky infighting in Kohl's Christian Democratic Union), Kohl reversed track on the proposed deployment of a modernized version of NATO's only ground-based tactical nuclear missile, the Lance. It would be better, Kohl decided, if NATO delayed a decision on Lance modernization until after West German elections, to be held in December 1990.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Kohl's reversal left Bush in a difficult position. Prime Minister Thatcher was pushing hard for an immediate alliance commitment to modernization, before more initiatives from Gorbachev irreparably eroded West German and other European support. (As is often the case, Thatcher was making the right point in the wrong way.) U.S. senators and military men also stressed the urgency of setting a deployment timetable.

But eventually Bush opted for a political decision rather than a military one. Kohl's survival in the 1990 election became an overriding American goal. When Bush, at the May 29 Brussels NATO summit, unveiled the cleverly designed arms reduction he planned to have presented at the Conventional Forces in Europe (CFE) talks in Vienna, he emphasized his desire to get an agreement by summer or autumn of 1990—presumably in time to bolster Kohl's electoral chances. And, to Thatcher's chagrin, the Lance decision was postponed until 1992. In return, the West Germans accepted an intricate formula that appeared to put off for several years any U.S.-Soviet negotiations on demobilizing Lance and other short-range systems.

The effect of the NATO summit and Bush's trip to Bonn immediately afterward was to establish Washington's view of West Germany as *primus inter pares* among its allies. Bush and Secretary of State James A. Baker III—whose ill-advised public squabbling with Bonn on economic policy was cited by many as a factor in the October 1987 stock market crash—chose to compromise with Kohl rather that to fight him. Once Washington and Bonn had formed what Bush called their "partnership" in NATO, Britain, France and others had to fall into line behind Bush's conventional arms reduction proposal—whatever misgivings they may have had about its inclusion of combat aircraft and manpower totals.

Bush's decision to court rather than confront Bonn thus responded to a combination of tactical concerns, including his hope of trumping Gorbachev's impending visit to West Germany. Moreover, Bush and Baker were assured by their foreign-policy advisers that the deal represented a defeat for Genscher, since it preserved the option of Lance modernization while ruling out (or so the Americans thought) the opening of short-range nuclear forces (SRNF) negotiations that might lead to a "third zero option" for land-based missiles.

Genscher, however, remained persuaded that he understood better than the Americans the weakness of the Soviets

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and the opportunities it would create for disarmament. By year's end, his aides could credibly tell U.S. journalists that any thought of Lance modernization was "laughable." SRNF talks, on the other hand, had moved closer with the progress made in Vienna on conventional disarmament.

Bush used his West German trip to outline his vision of a "Europe Whole and Free," making clear this was intended as a counter to Gorbachev's "Common European Home" motif, which seemed to irritate him. As Bush said in a speech in Mainz on May 31:

> There cannot be a 'Common European Home' until all within it are free to move from room to room. . . . The path of freedom leads to a larger home, a home where West meets East, a democratic home—the commonwealth of free nations.

Bush proposed a Europe of Western values, undivided by barriers such as the Berlin Wall. But when the wall actually opened, and the communist dominoes of Eastern Europe started falling, Bush seemed as surprised and unprepared as anyone to see a "Europe Whole and Free" developing so quickly, and without visible American influence. The incremental aid programs for Hungary and Poland that Bush had proposed during a visit to those two countries in July suddenly seemed dwarfed by the magnitude of the very events he had been advocating. The United States did not regain the initiative in Eastern Europe until Baker's surprise trip through the wall to meet East Germany's Modrow in mid-December.

When, following his visits to Hungary and Poland, Bush traveled to Paris for the annual Group of Seven summit, he made explicit his willingness to let Western Europe take the lead role in promoting change in the East. He enthusiastically endorsed Kohl's proposal at the summit that the European Commission, the executive arm of the EC, be given a mandate to coordinate and broaden aid programs for Poland and Hungary. It was the first time that the Commission had been given a role beyond the administration of the Treaty of Rome, and Commission President Jacques Delors eagerly supported this expansion of its authority. Whether the mandate will be extended, or perhaps enlarged, should be a major question at the G-7 summit in Houston in 1990.

European leaders were delighted by Bush's positive attitude toward the Commission and toward the proposal for the free

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

movement of labor, capital and goods within the EC by 1992. The strident early criticism of "Fortress Europe" that issued from some American cabinet officers diminished markedly after Bush's pro-EC views became apparent. Other than some skirmishing over the Community's efforts to encourage European television productions, it was a year without serious trade or monetary friction between Europe and the United States.

With the delight, however, came mounting apprehension among European leaders that the Americans were beginning to lay down some of the burdens of leadership in Western Europe just as the Soviets, on a much larger scale, were doing in Eastern Europe. They listened anxiously to the mounting discussion of major defense cuts in the United States. They heard Defense Secretary Dick Cheney's public acceptance in November of the likelihood of a second round of CFE talks to seek deeper cuts after an initial accord was reached. (Until then American officials had argued that a second round of CFE talks was not under consideration.) In a book review published in *Le Monde*, French Defense Minister Jean-Pierre Chevènement wrote what many were saying privately: "The American retreat [from Europe] has been set in motion."[3]

The administration seemed to be sketching a vision of the future in which the costly U.S. ground troops in Europe (especially, of course, those in West Germany) would be significantly reduced—though not eliminated altogether—through the CFE negotiations. Burden-sharing would become a reality as the European members of NATO took up greater responsibilities for manpower, armor and artillery requirements, while the United States' strategic and tactical nuclear umbrellas were maintained.

But that vision ignored a fundamental question: What circumstances would lead the United States to reduce significantly its front-line forces in Europe and at the same time encourage the Europeans to increase (or maintain) their defense spending to compensate for the American withdrawals? West Germany presumably would have to play the major role in taking up any slack left by U.S. infantry reductions. But with the thought of reunification already making Bonn's partners nervous about German power, and with West Germany already planning force reductions of between 15 percent and 20 percent over the next decade, any increase in the

[3] Oct. 17, 1989, p. 2.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Bundeswehr seemed out of the question. A competition in burden-shedding began to appear more likely than improved burden-sharing.

The winds of change blowing through Eastern Europe and the prospect of joint Soviet-American manpower reductions through CFE made discussions about strengthening the European defense pillar inside NATO even more difficult and less coherent than before. The anxiety touched off by discussions between Gorbachev and Reagan at the 1986 Reykjavik summit had given a strong push to French ambitions to construct overlapping European sub-alliances—a nuclear one with Britain and a conventional one with West Germany—to guarantee Europe an independent voice in defense. But Thatcher's protection of the special relationship with the United States and her opposition to greater European unity blocked progress on most of the joint nuclear defense projects Mitterrand proposed to her in their private correspondence. And as West Germany's attention focused on the East and the possibility of German reunification, the enthusiasm that in 1988 led to the formation of a joint French-German brigade and Defense Council waned noticeably.

European analysts appeared less eager than foreign-policy makers and commentators in America to argue that the collapse of the Warsaw Pact should be attributed exclusively either to the Reagan arms buildup of the 1980s or to Soviet weakness and wisdom under Gorbachev. In Europe, the most commonly expressed view to explain the West's apparent victory in the cold war stressed a combination of those two elements. Opinion there holds that the changes of 1989 could not have happened without Gorbachev, but neither would they have happened without the resolve shown by NATO in the early 1980s in response to the mindless Brezhnev-era buildup and use of military power abroad.

VI

Europe is poised to become a subject of global history again rather than the object it has been for forty-plus years. But much still has to be confirmed and initiated for such a transformation to occur. The most obvious doubts involve Gorbachev's ability to continue to dominate and push forward his policies with a physically deteriorating situation at home, and with turbulence and a power vacuum in Eastern Europe. But four other factors that will shape Europe's ability to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

respond to the historic challenge that it confronts in the 1990s are also already visible.

First is the quest for German reunification. It is likely to come in de facto form before it is blessed by a new German constitution incorporating the two German states into a common structure. It has often been assumed that German reunification would involve a formal end to World War II and the residual elements of occupation by the four powers. But the rapid movement toward each other by the Bonn and East Berlin authorities that has followed the opening of the wall raises the possibility that both may want to minimize the role of the Big Four and other outside powers in the reunification process. If so, they will want to avoid a final peace treaty as the basis for reunification.

Instead, it is becoming increasingly clear that the Germans themselves will manage the evolution of the reunification question. By joining for so long in the pretense that reunification was "not on the agenda," the expert and policymaking communities of other nations have sacrificed much—if not all—of the leverage non-Germans could have exercised on reunification. Compounding this is the inability of the four powers to agree to seek actively a final peace settlement that might provide an alternative to reunification.

Fritz Stern has called attention to the consistency and strength of the Germans' determination to find their own destiny. West Germany, Stern has written, is "the strongest state between the United States and the U.S.S.R., and has the greatest national grievance" involving both superpowers. The West Germans, Stern has correctly emphasized, could never forget "that Berlin is their hostage to the U.S.S.R. *and* to the United States."[4]

Taking into account the continuing Soviet and American involvement in German affairs, and the need to allay lingering European doubts about the expansive nature of German nationalism, the governing Christian Democratic Union-Free Democratic Party coalition in Bonn (and its successor after the 1990 elections) will pursue a zigzag course toward unity. Kohl's call for "confederative structures" on November 28 and partial retraction two weeks later was only the first instance of what will be a pattern of Bonn advancing, pausing to gauge reaction and then pulling back a little if necessary. The Germans are

[4] *Dreams and Delusions*, New York: Vintage, p. 210. The emphasis is Stern's.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the only actors in this drama who genuinely know what they want and what they will accept. They will maintain their initiative through the zigzag course, which will be the fastest path to reunification.

How will this process affect Bonn's ambitions and thoughts about leadership in Europe? Helmut Schmidt, in his book, *Men and Power,* to be published in English in January, makes two essential and related points: that West Germany lacks "a constructive Pan-European ideology," and that Western Europe "lacks leadership" able to end its dependence on the United States. The quest for reunification will become a quest to fill these two lacunae. A reunited Germany would automatically occupy the leadership position in Europe. But it would have to develop a constructive policy framework that resolved its neighbors' concerns about German nationalism.

Second, the six East European countries that deposed old guard communist regimes in 1989 will face common problems of institutions, policies and economic change. They must find a way to reassure the Soviet Union that the changes do not threaten legitimate Soviet security interests. They also must rebuild collapsed economies and give greater freedom to market forces. Racing against time and fighting huge odds, they must build democratic political institutions that defuse the tensions of nationalism and ethnic conflict.

A common approach by these six countries to these problems may be neither possible nor desirable. But a common analysis of the dilemma facing them, now that they have shaken off their Soviet-imposed tyranny, would be useful. The development of a shared analysis will require a common forum or institution outside the Warsaw Pact. The EC can help clear the way by opening a dialogue with the six East European countries, as a group, on future association and eventual membership. That is to say, a jointly developed blueprint for the entrance into the EC of a group of East European democracies, including East Germany, should be advanced. This also would provide a useful framework and timetable for a decision by the two Germanys on reunification.

Dealing jointly with the emerging democracies of Eastern Europe should also help the EC reduce the risk that the two halves of Europe will sink into a quasi-colonial relationship, with the East a source of cheap labor and captive markets for the West. A "Europe Whole and Free" should not become a Europe with mansions in the West and slums in the East.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Third, the evolving relationships of the EC with the superpowers will take on a new relevance. In addition to capital and technological inputs, Gorbachev is also seeking a role in coordinating and planning the reconstruction of Eastern Europe. The EC should consider including the Soviets in a reconstruction plan as a nominal donor country. Moscow would gain valuable experience from observing how such a recovery can be managed, and the European Commission could begin to develop ideas and methods for the conversion of the Soviet infrastructure to free-market standards.

The United States has different concerns. By design or default, a year of careful attention to the politics of Western Europe and keeping a low profile on trade has left the Bush Administration well positioned to ask for greater cooperation on economic matters from its European allies. Secretary of State Baker appeared to be ready to begin that process by proposing in his December 12 speech to the Berlin Press Club that the U.S. and the EC "in treaty or some other form" achieve "a significantly strengthened set of institutional and consultative links."

Finally, the changing security contours of Europe, which are likely to be affected by the successful completion of an initial accord in the CFE talks, were touched upon by Baker in that same forward-looking speech. He emphasized the need for NATO to work through the Conference on Security and Cooperation in Europe to achieve change in the future. If Baker's declarations become U.S. policy, Gorbachev's proposal for a Helsinki II conference in 1990 is likely not only to be implemented, but to spark a serious discussion about political arrangements that someday may replace military muscle in keeping the peace in Europe.

In Berlin, the epicenter of a year of upheaval, Baker seemed consciously to be reaching for, and attaining, a powerful symbol of the altered U.S. role in a changing Europe. During the postwar era, NATO has been an instrument to guarantee both U.S. leadership in and commitment to Europe. Its invention, Raymond Aron wrote, was an exercise of "walking backward into the future." A strong American presence, it was assumed, would prevent the next war because it probably would have prevented the last. If the hopes and promises of 1989 are borne out—and if the problem of German reunification is managed successfully—it soon may be possible for Europe to walk forward toward a new, more self-reliant destiny.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Arnold L. Horelick

U.S.-SOVIET RELATIONS: THRESHOLD OF A NEW ERA

As the decade of the 1980s closed, the United States and the Soviet Union appeared finally to have mastered their forty-year-old conflict. At the Malta summit between Presidents George Bush and Mikhail Gorbachev, the convergence of American and Soviet positions on most agenda items was unprecedented. Their relationship seemed likely to develop with minimum tension, low risk and, prospectively, at greatly reduced cost.

But precisely at the moment when they seem to have perfected their methods for managing the conflicts of the cold war era, that era has abruptly ended. The finely honed instruments of conflict management face early obsolescence. Instead, policymakers in both capitals face a new international politics in which their bipolar competition will no longer provide the dominant framework for ordering the system and disciplining the behavior of states. For the United States the adjustment will surely be difficult, but incomparably less so than for the Soviet Union.

II

By every measure of conventional postwar scorekeeping, 1989 was the year in which the West won the cold war. During the fall and winter, communist rule was toppled or irretrievably compromised in the three key northern-tier states of the Warsaw Pact—Poland, the German Democratic Republic and Czechoslovakia. The Communist Party itself, not to speak of its "leading role," was extinguished in a fourth country, Hungary, and was on the slippery slope of multiparty reform even in Bulgaria. Only in Romania did the communist leader Ceauşescu attempt to hold the line by force, but by year's end he had been executed and his entire Politburo placed under arrest.

Arnold L. Horelick is Senior Corporate Fellow in Soviet Affairs at the RAND Corporation and Professor of Political Science at the University of California, Los Angeles. He served as National Intelligence Officer for the U.S.S.R. and Eastern Europe from 1977 to 1980.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Moscow, moreover, seemed helpless or unwilling to prevent the sudden deterioration of its most sensitive geopolitical position. The Soviet Union was immersed in a profound domestic crisis that threatened both the political stability and the territorial integrity of the state. The Soviet economy was in a shambles. Discontent and pessimism were endemic. In Moscow, supporters and critics competed in making estimates of how many months Gorbachev still had left in which to deliver on perestroika's promise before a "revolution from below," a military coup or a hard-line conservative backlash swept both him and his program away, or compelled him to suspend *demokratizatsia* and glasnost.

In foreign policy, according to the old calculus, Gorbachev may have gained some breathing space for the beleaguered Soviet Union, but only at a high cost: surrendering the "socialist gains" in Eastern Europe, abandoning Third World friends and clients to U.S.-supported counterrevolution, and making an uninterrupted series of grossly asymmetrical arms control concessions, which after five years still had not been seriously reciprocated by the West. Thus, when he arrived at Malta for his first meeting with the new American president, Gorbachev held the weakest geopolitical hand any Soviet leader has had to play in a summit meeting. To a Soviet "old thinker," Bush's praise of Gorbachev and his suspension of a few minor discriminatory economic restrictions were merely the cosmetic part of "rollback with a human face."

There was evidence at year's end of direct criticism of Gorbachev's foreign policy from within the Central Committee. The Western world, however, was lavish in its praise of his statesmanship and diplomacy and not at all inclined to gloat over the crumbling of the Soviet empire or to take satisfaction from the U.S.S.R.'s domestic crisis. In this view, Gorbachev had not lost the cold war for the Soviet Union; he simply had stopped playing the game according to the old rules. His performance was therefore to be judged by a set of new, distinctly different non-zero-sum rules that gave the highest grades for self-restraint and unilateral arms reductions.

Never mind that Gorbachev's capacity to play the game by the old rules had been crippled by the failure of the Soviet economy and the crumbling of communist rule in Eastern Europe; never mind that even the greatest strategic gain of the cold war years—the achievement of nuclear parity with the United States—had failed to yield military or political benefits

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

remotely commensurate with its enormous costs. Having boldly concluded the game was not worth the candle, Gorbachev cut his losses—in some cases brilliantly making a virtue of the hardest necessity and redefining the rules so that what might have counted as defeats and retreats became bold initiatives and daring challenges to old-thinking partners. Indeed, since according to the now virtually universally accepted view that Gorbachev's survival is key to sustaining the more benign global trends, inflicting defeats on him could hardly any longer be the object of Western policy.

In the Soviet Union, however, it was a year that saw the steady erosion of Gorbachev's popularity as perestroika continued to founder, straining the patience of an increasingly assertive and critical public. Paradoxically, Gorbachev's personal power position in Kremlin politics not only failed to be adversely affected, but was appreciably strengthened. Fearing that any wave of discontent strong enough to topple Gorbachev would wash them away as well, conservatives in the party elite had little alternative but to give him grudging support, even as he systematically removed their most prominent spokesmen from the Politburo or demoted them. For radicals and liberals, Gorbachev also remained, as the late Andrei Sakharov described him, "the only realistic alternative leader."

At year's end Gorbachev was nevertheless beleaguered, playing for time and fighting fires, delaying implementation of the most critical parts of perestroika, which were bound to be painful and unpopular. Without such changes in the economic incentive system, however, there could be no breakthroughs and no self-sustaining growth. Even more precariously, he also was walking a tightrope in dealing with the rebellious nationalities, employing all of his persuasive powers to slow down, if not to turn back, a swelling secessionist tide in Lithuania. Following the example of the Baltic states, militant popular fronts were emerging all along the periphery of the Soviet Union. Moldavia was in the throes of anti-Russian ethnic self-assertion, bound to be exacerbated by the fall of Ceauşescu in the Romanian homeland. Most menacing from Moscow's perspective, a popular front was growing in the Ukraine as well. In other republics there were repeated instances of inter-ethnic violence, unchecked in the Caucasus and festering in Central Asia.

Even Gorbachev's most positive domestic achievement of the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

year, the election of a Congress of People's Deputies and the formation of a new Supreme Soviet, was a mixed blessing for him. Gorbachev clearly sought to create for himself and his programs a broad parliamentary base of political support that he could employ to whip the still indispensable party into line. But the March elections, even though partially rigged, revealed a disaffection from the Communist Party so deep and so widespread that its effectiveness as an instrument of rule was called seriously into question. Moreover, the new forum became a genuine cockpit for debate and conflict that, on the whole, did not enhance Gorbachev's authority or prestige in the country. At the end of the year, Gorbachev found himself defending the constitutionally mandated and symbolically crucial "leading role of the party" against surprisingly strong opposition in the Congress. In comparison to the "socialist countries" of Eastern Europe, which lagged far behind the Soviet Union in political reform at the beginning of 1989, by the year's end only in the U.S.S.R. was the Communist Party still clinging doggedly to its political monopoly.

Ironically, viewed against the background of Gorbachev's forthcoming and welcome departures in foreign policy, his troubles at home helped him abroad. They encouraged the evolution of the Bush Administration's policy from skeptical, watchful waiting to broad engagement with the Soviet Union. The president finally endorsed both Gorbachev and his policies. Amid mounting evidence that perestroika might be failing, Bush claimed to be second to none in supporting it.

III

During the waning years of President Reagan's second term, the running battle over how to deal with Gorbachev's Soviet Union was finally resolved. There were those centered in the office of the secretary of defense who had been the "squeezers." They opposed any relaxation of competitive pressure on the Soviet Union, which they saw as the key to forcing the Kremlin into global retreat and compelling it to choose between outright abandonment of communism or collapse. There was another group, in the State Department, the "dealers," who saw the shifting global correlation of forces and Gorbachev's preoccupation with internal reform as an opportunity to reach arms control and regional agreements on unprecedentedly favorable terms. As Soviet reforms deepened, the "dealers" even grew prepared for such agreements

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to help Gorbachev as well. By the end of the Reagan Administration, the president's own growing confidence in Gorbachev and Secretary of State George Shultz's persistent efforts to overcome right-wing attachment to the militantly anti-Soviet stance of Reagan's first term had prevailed. "Squeezing" Gorbachev had effectively dropped out of the operative spectrum.

By the time George Bush took office in January, virtually the entire American foreign policy establishment, including its most prominent conservative members, were "dealers" of one kind or another. There were, however, still important differences. Many observers outside the new administration were prepared to deal quickly with Moscow, and for larger stakes. They were not only ready but eager to help Gorbachev in the bargain. Others, including most of the senior policy figures in the new administration, wanted to move much more cautiously.

At first President Bush and the experienced, pragmatic foreign-policy team around him still had doubts about Gorbachev's intentions. There was a deep skepticism about his chances for survival, not to speak of his chances for succeeding with perestroika, and a gnawing anxiety that his diplomacy was loosening the cohesion and resolution of the Western alliance. In general, the new administration seemed to place a higher priority on preventing the premature dismantling of tried-and-true security structures that had held a hostile Soviet Union at bay for forty years than on risking new initiatives with Gorbachev. For example, in a television interview just prior to Bush's inauguration, Brent Scowcroft, the new national security adviser, questioned whether Gorbachev's real intention was not to weaken the Western alliance and drive a wedge between the United States and its allies.

Initially, no major policy pronouncements on the Soviet Union were made, pending completion of a "comprehensive" national security policy review. The review, however, dragged on for months and reportedly ended up endorsing the unexciting goal of "status quo plus." Administration policymakers seemed preoccupied with the arcane alliance politics of short-range nuclear missile modernization and arms control negotiations, in which Soviet diplomacy was still perceived as a threat to be parried, rather than an opportunity to be explored. This attitude provoked a growing domestic criticism of the administration's slowness and timidity in dealing with the bigger

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

picture. Some European allies also were urging Washington to respond more effectively to Gorbachev's initiatives, if only because they were attracting wide public support in Europe.

In the spring, the president dealt with East-West relations in a series of five speeches that grew progressively more positive in tone. In a speech in May in New London, Connecticut, Bush previewed his administration's new watchword, declaring it was time to "move beyond containment" and to integrate the Soviet Union into the "community of nations." These new slogans in fact turned out to foreshadow a policy shift that was already under way. But the new policy was so entwined with conditions and reservations that it made relatively little impression at the time. More attention was paid to the president's speech in April in Hamtramck, Michigan, where he unveiled a modest program of aid to Poland and Hungary that was widely criticized as insufficient.

Meanwhile, the trials and tribulations of perestroika were making Gorbachev all the more impatient for achievements in foreign policy and arms control that would permit larger and faster transfers of resources from the swollen military sector to the sputtering civilian economy. In Moscow, some Soviet officials were expressing nostalgia for the good old days of Reagan and Shultz.

A major milestone in the evolution of the Bush Administration's policy was Secretary of State James A. Baker's first meeting with Soviet Foreign Minister Eduard Shevardnadze in Moscow in early May. During that visit Gorbachev presented Baker with specific numbers for several categories of weapons to be reduced in the new Conventional Forces in Europe (CFE) negotiations. The numbers were so close to NATO's figures as to convince administration officials that the Soviets were serious about concluding an agreement on terms highly favorable to NATO.

In response to this initiative, President Bush, at a NATO summit in Brussels at the end of May, laid out his own conventional arms reductions proposals. He called for deep Soviet reductions and a break in the logjam that had developed in Vienna over whether to include aircraft and stationed-troop levels in the negotiations.

A second Baker-Shevardnadze meeting, in Wyoming in September, was marked by unusual cordiality, and further accelerated the movement of U.S. policy toward the Soviet Union. The meeting produced new Soviet concessions on a

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

key stalemated issue in the Geneva negotiations on strategic arms reductions: Moscow offered to "de-link" a final agreement in the Strategic Arms Reduction Talks from resolution of the deadlocked defense and space issues. This seemed to remove a major obstacle to the conclusion of a new START agreement by the late spring or early summer of 1990, and cleared the way for an agreement to hold a full-fledged Bush-Gorbachev summit during that period. In fact, private exchanges between Bush and Gorbachev had already begun on the holding of the "informal" summit at Malta.

Those secret exchanges must have been greatly influenced by developments in Eastern Europe. In announcing the scheduling of the Malta meeting, President Bush acknowledged that during his July visit to Eastern Europe, Solidarity leaders in Poland and reformers in Hungary had linked their prospects to Gorbachev's survival; they had urged the president to meet sooner rather than later with the Soviet leader. Six weeks after Bush's visit, Tadeusz Mazowiecki, a Catholic intellectual, was confirmed as prime minister in Warsaw to head a Solidarity-dominated coalition government. A month later, thousands of East Germans were pouring out of their country through Hungary and Czechoslovakia into the Federal Republic of Germany, and pro-democracy demonstrations were breaking out in major cities of the German Democratic Republic. Against this dramatic background Secretary Baker gave two speeches in mid-October, spelling out a U.S. policy of engagement with the Soviet Union. Not only would the United States support perestroika, but the administration had concluded that Gorbachev's success was itself in America's fundamental interest, and was prepared to provide Moscow with advice and technical assistance to help restructure the Soviet economy.

What was new and decidedly different about Baker's October speeches was his treatment of what had become the most hotly debated issue of U.S. policy toward the Soviet Union: how to deal with uncertainties about Gorbachev's survival and the ultimate fate of perestroika. Secretary of Defense Dick Cheney and Deputy National Security Adviser Robert Gates in particular had publicly rated the prospects for both Gorbachev and perestroika as poor, in contexts suggesting that such uncertainty was a strong reason for the administration to proceed with the greatest caution. Secretary Baker stood that position on its head. He asserted that uncertainty about the fate of Gorbachev's reform program should provide "all the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

more reason, not less, for us to seize the present opportunity" to make agreements to cut back superpower military arsenals and reduce the Soviet threat. This reflected the administration's recognition that it was in the West's interest to move expeditiously toward concluding the arms control agreements now under negotiation, regardless of the uncertainty about the future of Gorbachev and perestroika. If Gorbachev survived and perestroika prospered, the groundwork would be laid for moving further toward institutionalizing a much more stable and less confrontational military relationship. Once the Soviet Union had destroyed nuclear weapons and withdrew or dismantled conventional forces as required by the agreements, it would be difficult, costly and time-consuming for any future Soviet leadership, even one more hostile or assertive, to reverse the process. The stage thus was set for Malta; the Bush Administration had made its choice.

The collapse of communist domination of Eastern Europe had made a crucial difference. It provided dramatic, tangible evidence of a change both in the policies and geopolitical position of the U.S.S.R. that could not possibly be explained away as a ruse or a temporary tactical retreat which might leave the Soviet Union free to resume the old struggle after a respite. The crisis in Eastern Europe reinforced a Western perception that real strategic opportunities lay ahead, not only in arms control but in political arrangements that could fundamentally improve European security—the principal area of competition and the heart of the cold war. It suddenly became critical for the West to see Eastern Europe through a period of free elections and in the process to reassure Moscow that its security would not be threatened.

IV

It was not surprising that at Malta both Bush and Gorbachev used almost identical language in proclaiming that their two countries were "at the threshold of a new era." But Malta was not the place, and the first week in December was too soon, for the two leaders to exchange architectural plans for a new European political order. The Berlin Wall had been breached only three weeks before, and the outcome in East Germany was still very much in question. Chancellor Helmut Kohl had placed the reunification of Germany on the active political agenda only a few days before Malta; there had not yet been face-to-face meetings between the president and other alliance

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

leaders, and the United States was determined to avoid even the slightest hint of another Yalta.

Going into Malta, the Soviet and American leaders had slogans, not visions, and much less blueprints, for a new European order. While Gorbachev had surrounded his long-standing call for a "Common European Home" with thousands of words, there was not much more substance to his theme than to President Bush's more recent call for a "Europe Whole and Free." Moreover, if there was more to Gorbachev's thinking about the design of a "Common European Home" than he had revealed before Malta, the sudden changes in Eastern Europe almost certainly would have required a searching reexamination.

Gorbachev himself had inspired the change in Eastern Europe, which he subsequently acknowledged as inevitable. What he clearly had hoped for was to spread perestroika to Eastern Europe, where a wave of reform would be instituted by rejuvenated and restructured Communist parties that would "renew socialism." His vision was a voluntary community of Eastern states pursuing common socialist agendas and led by like-minded reformers. Those states would still be linked, but far more loosely than in the past. For enduring geopolitical and economic reasons, the alliance with the Soviet Union would continue, but in a less militarized and more politicized grouping that would occupy the Eastern wing of the European "common home."

This vision had already been upset by the transfer of power to Solidarity in Poland, and had been completely overtaken by events in East Germany and Czechoslovakia. Gorbachev acknowledged that the Communists had "lost" the confidence of the people. The hope that some vague common commitment might still emerge to a democratized version of socialism may not have been entirely abandoned in Moscow, but the prospects were poor, and fading. Moscow had to look more and more to a geopolitical rationale for maintaining security ties between Eastern Europe and the Soviet Union. Its policy had to be to make such a rationale persuasive and acceptable to its allies. To do that Gorbachev had to rely on the West's shared concern about stability and enlist Western support for a "calm and peaceful" transition in Eastern Europe.

At some point, Gorbachev may have had a game plan for meshing the interrelated processes of demilitarization in the West and reform in the East. The revolt of Eastern Europe,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

however, destroyed whatever balance Gorbachev had hoped to maintain between these two aims. Gorbachev must surely have understood that his unmistakeable support for reform in Eastern Europe, together with his unilateral force reductions and proposed CFE cuts, would produce more independent allies and weaken Soviet control of the Warsaw Pact—a trend confirmed by the evolution of events in Poland and Hungary.

But earlier, in December 1988 when he announced the decision to cut troops unilaterally, Gorbachev probably hoped—not implausibly—that rapid changes in the West's perception of a Soviet threat would stimulate a comparable weakening of NATO's military efforts and cohesion. By the summer and fall of 1989 changes in Eastern Europe were completely outstripping the more careful arms reduction process on which Gorbachev may have been relying. Moreover, by November it was clear that the issue of German reunification would have to be faced not at the end of a gradual process of change but at a much earlier stage, and under conditions in which the security structures of the East were disintegrating while NATO remained wholly intact. Once the issue of German reunification was raised, it became even more crucial for Gorbachev to emphasize to the uneasy Western allies of the F.R.G. their common interest with Moscow in maintaining stability in Europe during the transition, and to encourage a multilateral approach to the German question such that Moscow would not be obliged to be the sole naysayer.

V

The emergence of the German question must have caused second thoughts in Moscow about continuing the Soviet campaign to dissolve the opposing alliances and to seek the withdrawal of foreign forces from Europe. In such a reappraisal, Gorbachev was no doubt encouraged by reassuring evidence that the United States and its allies were not seeking to undercut Moscow during its time of troubles in Eastern Europe, and that they too preferred a stable orderly transition, rather than a precipitous upheaval, to end the division of Europe. In the West as well as in the East there was a clear preference for stability: "This is not the time," Gorbachev told the French foreign minister, "to destroy the established international political institutions."

While the superpowers did in fact have certain common

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

interests in a stable process, their objectives were a mix of overlapping interests and potential new conflicts.

For the West the approach to a new European security order is likely to be to preserve and strengthen Western institutions that have proved so effective during the cold war, and to ensure that the democratic Eastern countries that may emerge have an opportunity for broader and deeper relations with the West. The Western design will probably be to ensure that a reunified Germany would remain strongly anchored in the West.

In stressing gradualism, emphasizing stability and calling for the adaptation and transformation of existing institutions, the West's approach is not incompatible with the Soviet desire to play for time. For the Soviet Union there can only be the hope that, by slowing down the process of change in the East and buying time, Moscow can still keep open the option for developing some kind of community of interests between a vaguely socialist Eastern Europe and a reconstructed Soviet Union. On this basis, the Soviet Union as well as the East Europeans could begin to share in the economic and technological benefits of closer ties with the West. Being left out altogether is Moscow's nightmare.

Thus far Moscow and the West have demonstrated a common interest in peaceful and gradual change in Eastern Europe. That the West should wish change in Eastern Europe to be peaceful is hardly surprising, but the implication that to be peaceful it must also be gradual reflects a Western sensitivity, which Moscow obviously shares, to the potential for a destabilizing crisis. This concern was dramatically demonstrated by Secretary Baker's quick visit in mid-December to East Berlin, where he expressed support for the reformist policies of the shaky new Communist prime minister, Hans Modrow. Baker reportedly made the visit on the strength of the advice of the U.S. ambassador to the G.D.R. that chances for a peaceful transition to democracy in East Germany would be better if the Modrow government survived.

A second area of common interests is likely to be an orderly deliberate process to reduce military forces in Europe, to be negotiated and implemented through CFE by existing alliance groupings.

For the Soviet Union, the CFE process provides a vehicle for securing at least some reciprocal returns from the West for reductions in swollen Soviet forces. Moscow wishes desperately

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

to make substantial force reductions for its own reasons, but a second round of deep unilateral cuts might be politically impossible for Gorbachev. Moreover, the process of negotiating, implementing and verifying a CFE agreement provides the Warsaw Pact with a raison d'être that serves what is perhaps the only remaining common interest in the Eastern alliance. The CFE process can also establish a pace for Soviet withdrawals as a result of negotiations with the West, rather than of potentially explosive bilateral negotiations between Moscow and East European capitals.

The United States will seek to lock in an overwhelmingly favorable reductions agreement by substantially eliminating Soviet conventional advantages through asymmetrical reductions that only marginally affect NATO force levels. Moreover, such an agreement would help forestall premature dismantling of NATO, dampen pressures for much larger withdrawals of U.S. forces and buy insurance against reversals and new instabilities in the East.

Thus arms control, if given time to unfold, would tend to perpetuate the two alliances in Europe; any movement toward German reunification would be contained within this framework. Gorbachev has explicitly argued for retaining existing institutions in formulations that do not distinguish between NATO and the Warsaw Pact. Officially, the United States has taken no position on the desirability of the Warsaw Pact's survival. Nevertheless, the CFE process that the United States and NATO have continued to endorse serves to stabilize the Warsaw Pact and give it a rationale that democratic governments in Eastern Europe might also be able to accept and use to defend against nationalist anti-Soviet electoral pressures at home.

On the other hand, both Moscow and Washington have talked, in strikingly similar language, about the transformation of their alliances from military organizations to more "political" ones. For both this is a means of giving their alliances, and their leading roles in them, a new dispensation in a world in which the alliances' primary military functions are waning in importance.

But prospects for a political NATO and a political Warsaw Pact are quite different. NATO is necessarily a political alliance. While there may be some resistance, especially from the French, to permitting Atlanticist NATO to intrude on the political prerogatives of the European Community, the transformation of NATO into an alliance with growing political functions faces no profound obstacles.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

To transform the Warsaw Pact into a more "political" organ is a much more dubious proposition. As Soviet European specialists have acknowledged, the political infrastructure of the Warsaw Treaty Organization is poorly developed. It lacks a permanent political staff headquarters; its highest political organs meet only rarely and for largely ceremonial purposes; and its most important political decisions in the past were made in party, not state, channels—a practice that has been overtaken by the collapse of ruling Communist parties in Eastern Europe.

VI

On the question of German reunification, the official objectives of the United States and the Soviet Union are widely divergent, if not directly contradictory. The United States, along with all of the Western allies, has long been committed to supporting the goal of German unity so long as it is the result of the "free self-determination of the German people." Gorbachev and Shevardnadze now also have endorsed the principle of "self-determination of peoples and states" and "freedom of choice" in Eastern Europe. But Moscow clearly hopes that the East Germans, exercising their right of free choice, will choose to remain a separate German state. For the time being the Soviet Union refuses to deal concretely with the contingency of a different choice. Gorbachev emphasizes the "existing realities" of the two German states and prefers to leave it to "history" to decide, implying that history is to be measured in large increments of time. For now, according to Moscow, the issue of German reunification is not on the agenda.

Moreover, just prior to the Malta summit the Bush administration added several other conditions, including that German reunification "should occur in the context of Germany's continued alignment with NATO." That was new; in the past, the emphasis had been almost exclusively on the democratic political organization of a unified German state. By attaching continued alignment with NATO to its formulation, the United States has laid out a resolution of the German question that is diametrically opposed to the official Soviet position. For the Soviets, reunification—if it is to occur at all—can only be envisioned in the context of a larger process of "overcoming the division of Europe," including the simultaneous dissolution of both NATO and the Warsaw Pact.

Yet while Moscow responded harshly to Chancellor Kohl's

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

10-point outline for reunification—which conspicuously failed to specify that a reunified Germany would remain aligned with NATO—the Soviets have not been visibly perturbed by the new American position. Indeed, it seems clear that, on the whole, Moscow welcomed the prompt intervention of the United States to slow down the momentum imparted to German reunification by the surprise unilateral Kohl initiative. The U.S. call for a unified Germany to remain in NATO is embedded in a set of other conditions, which, taken together, underline that the German question should not be decided by German states alone, and that other parties whose interests must be considered include, in addition to West Germany's NATO allies, the U.S.S.R. The U.S. formulation of conditions for German reunification, as Secretary Baker has suggested, may not be "a distasteful one to the Soviet Union."

Thus, the U.S. position states that the achievement of German unity must be "peaceful and gradual, and part of a step-by-step process." It must be in accord with the 1975 Helsinki agreements, which stipulated that the postwar boundaries of Europe are fixed and can be changed only by "peaceful negotiation." In his remarks on the future of Europe at the post-Malta NATO summit in Brussels, President Bush added another principle that had not been included in the list announced by Secretary Baker before Malta, namely that reunification should occur "with due regard for the legal role and responsibilities of the Allied Powers." While perhaps intended in the first instance to be responsive to the expressed interests of the British and French, that statement was the clearest U.S. endorsement yet of a legitimate Soviet role in resolving the question of German reunification. It was given symbolic expression soon after by the first formal meeting in 18 years of the U.S., Soviet, British and French ambassadors in Berlin, called on Soviet initiative ostensibly to discuss a two-year-old American proposal to improve air traffic safety and other Berlin issues.

Immediately after the fall of Honecker and the breaching of the Berlin Wall, there was concern in some Western capitals that Gorbachev might respond with a characteristic preemptive diplomatic strike. If he foresaw that East Germany would soon cease to be a viable state and that events might reach a point where reunification could only be prevented by force, Gorbachev might offer to withdraw Soviet troops entirely from the G.D.R. and accept the reunification of Germany in return for neutralization.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

A proposal to trade German unity for neutralization has of course been in Moscow's portfolio since Stalin's "peace note" of March 1952. In the radically altered circumstances of late 1989, however, it loomed as a very risky and even less promising gambit for the Soviet Union. The collapse of communism in East Germany had gravely weakened Moscow's bargaining position. Playing the German card in these circumstances would have threatened to damage, fatally, those residual political forces in the G.D.R. that were prepared to hold out for a separate East German state.

Moreover, it was hard for the Soviets to know how such a preemptive offer might have played out in West German public opinion. The Bonn government would have either rejected it outright or redefined its terms to preserve German security ties to the West. Gorbachev knew that such a ploy would severely antagonize the United States and its NATO allies, who would regard it as an act of political warfare; it might perhaps have disrupted the entire pattern of European diplomacy so painstakingly constructed by Gorbachev and Shevardnadze. Finally, it was highly uncertain that the U.S.S.R. would be satisfied with the "success" that playing the German card might produce. With West Germany in such a powerful position and still so firmly anchored economically and politically to the West, even formal neutralization could not ensure a benign balance for Soviet interests.

Thus far Soviet intentions point in a rather different direction. Within days of the opening of crossing points in the Berlin Wall, Moscow began to put out strong signals that it was preparing not a preemptive diplomatic ploy but a political holding action. In meeting with the French, Italian and other West European diplomats and journalists, the Soviets sought to make common cause with those in the West alarmed by the sudden prospect of German reunification. Reunification, Moscow insisted, was not on the agenda. The existence of two German states was a "reality" that had to be accepted; "history," in some fashion, would decide.

The surprise unveiling of Kohl's reunification "outline," however, directly challenged Soviet efforts to keep the issue off the agenda. Had Gorbachev chosen to pursue it, Moscow might have explored the opening provided by Kohl's failure to call explicitly for keeping a unified Germany in NATO. Instead, the Soviet Union attacked Kohl frontally for preempting the German question, seeking to destabilize the G.D.R., and ignor-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ing the interests of other European powers. The Soviets vowed "to defend the G.D.R." against efforts from the outside to interfere with its right to choose a separate sovereign existence. Shevardnadze, during his visit to NATO headquarters, was even more emphatic in his opposition. Whether this position can be held after the May elections in East Germany remains a critical question for Gorbachev.

VII

In sum, the two powers have reaffirmed the CFE arms control process, endorsed the Helsinki framework, urged gradualism on the democratic governments of Eastern Europe and endorsed a role for the wartime Allied Powers in resolution of the German question.

Inevitably the question arises: Is the United States throwing Moscow a life preserver to keep the Warsaw Pact afloat in stormy waters in which it would otherwise soon drown? In other words, does a U.S. decision to use the CFE arms control forum and the two alliances as the instruments for managing the transition help to perpetuate and legitimize an Eastern alliance that is imploding? Would a better course be to seek to end the Warsaw Pact quickly while keeping NATO as insurance? This approach would argue, if not for dropping CFE altogether, then for concluding it quickly and stopping there, forgoing CFE II, and letting events take their course. This approach would also call for resisting any Soviet effort to draw the U.S. into a dialogue on management of the transition, discussion of a European settlement or, especially, joint four-power responsibilities for a peace treaty with Germany—all based on the two blocs.

There are clear dangers to such a course. On the one hand, withdrawal of Soviet military forces from the territories of most, and possibly all, of its Warsaw Pact allies is surely conceivable, as is the transformation or even dissolution of the Warsaw Pact. Soviet forces in Hungary and those introduced into Czechoslovakia since the 1968 invasion may well be withdrawn by agreement between the Soviet Union and the "host" countries even in advance of a CFE agreement. Such a withdrawal might be treated as a "down payment" against the reductions that will be required to bring Soviet force levels down to an agreed-upon ceiling. In the same way, through bilateral agreement with Warsaw, Soviet forces in Poland also may be reduced to minimal levels required to maintain lines of communication to East Germany.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

On the other hand, to count on the Soviet Union to comply sheepishly with a demand by an East German government of any political persuasion to sever alliance ties and withdraw the Soviet army from the G.D.R., absent agreement on reciprocal (even if not entirely symmetrical) changes in American forces in West Germany, stretches even the most generous interpretation of the new thinking to the breaking point. Gorbachev has accepted as inevitable the dramatic upheavals that have convulsed Eastern Europe and has refrained from using force to save dying communist regimes, but it would be a mistake to assume he would be willing to see the perimeter of Soviet security interests, like the zone of communist political dominance, moved back from the Elbe to the Soviet border.

Nevertheless, the retraction of Soviet military power from Eastern Europe, and especially from East Germany, is and has been an abiding Western interest. Exploration of ways to roll back Soviet military power by negotiation and agreement is well under way. CFE should be regarded as but the first installment of such a negotiation. Moreover, agreements need not necessarily produce perfectly symmetrical outcomes. For example, given constraints and guarantees that East German territory could not be used for hostile military purposes, it is even conceivable that ultimately the Soviet Union would agree to accept a residual U.S. military presence in West Germany, even if all Soviet forces are withdrawn from the G.D.R. Such an arrangement would be compatible with "confederal structures" linking the two German states politically and economically to each other, to the European Community, and to whatever all-European institutions may evolve out of the Helsinki process. But such a benign outcome seems plausible only as the end-point of a process in which the Soviet Union has clearly participated along with the East Europeans.

As democratic governments are formed in Eastern Europe, choices affecting the pace and character of that process will be largely in the hands of the people of Eastern Europe and their freely elected governments. They could throw over restraints, leave the Warsaw Pact, and demand immediate withdrawal of all Soviet forces well before some new security structure has been put in its place. It would then be for the Soviet Union to decide whether to acquiesce or to accept the costs and risks of confrontation. One cannot preclude that the Soviets would yield in the end, but it is not a gamble the West should invite.

Of crucial importance is getting through the short run. The

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

present, initial stage of the liberation of Eastern Europe is the most dangerous and sensitive one (as Romania demonstrated). The Bush Administration has rightly put the main priority on helping East European reformers and opposition through this delicate period and making the loss of the Soviet empire seem as nonthreatening a prospect as possible for Moscow.

In return, the West must insist, as a minimum and indispensable condition, that the Soviets continue scrupulously to observe a policy of noninterference in domestic political processes in Eastern Europe. If Soviet military forces are not directly challenged, it is hard to see why the Soviets at this late date might choose to use force to save local Communist parties. The last good chance has long since been missed, and the costs would be astronomical.

As long as there is no such interference, continued existence of the Warsaw Pact should not be objectionable to the West on military grounds during this transition process. It is already an empty shell and no longer a useful adjunct to a Soviet offensive strategy. Indeed, its existence may be some additional insurance against surprise, serving as an early warning system for the West.

It is true that arms control and other arrangements preserving the two alliances might somehow legitimize efforts of the Soviets to maintain a military presence in Eastern Europe longer. But the spontaneous evaporation of the Soviet Union is not the most plausible alternative.

VIII

Neither Moscow nor Washington can yet see what will replace the cold-war system. The 1990s are likely to be a transitional period for relations between the two superpowers. In the multipolar world now emerging, they are likely to have more parallel and convergent interests than before. The Soviet Union, however, will find itself in radically altered circumstances that are still evolving and that could change even more radically. It now prefers gradualism and preserving existing institutions, but desperation could lead to more risky strategies. As for the United States, it needs to consult with its allies to work out a Western position before further engaging the Soviet Union on a new "architecture" for Europe.

It is misleading to conclude, however, that these new circumstances will place the superpowers on the sidelines because they no longer control events and no longer dominate their

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

alliances. So long as large Soviet forces remain in Eastern Europe, there can be no definitive end to the confrontation with the West and no complete solution to the German question. Some significant potential for reversing policy in Eastern Europe, by a different Soviet regime, will persist.

In this light, it is the United States alone among all NATO members that is capable of leading the Western effort to negotiate the Soviet Union out of Europe as a military presence. Reciprocal military moves to compensate Moscow will have to come chiefly from Washington. The nuclear dimension is still almost exclusively a U.S.-Soviet issue to negotiate. Finally, the United States is best positioned to broker a Western consensus on the German question and to lead in negotiating it with the Soviets.

As the United States and the Soviet Union reach the threshold of a new era in their relations, their roles in shaping the post-cold war world will be different from those they played in managing the East-West conflict, but no less crucial. Both will have to adapt their policies and behavior to environments in which they will have substantially diminished control and influence. In making this adjustment, the United States can draw on its own democratic institutions and traditions and on its long experience in heading an alliance of free and often contentious partners. For the Soviet Union, this will be an entirely new experience for which the history of its foreign relations and its domestic political traditions have poorly prepared it. In the long run, its success in adjusting to a new and constructive international role will depend on its success in transforming the Soviet system itself. It is in this sense above all that the success of perestroika is in the fundamental interest of the Western world as well as of the peoples of the Soviet Union.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Abraham Brumberg

POLAND: THE DEMISE OF COMMUNISM

Poland has always been something of a maverick in the "Eastern bloc." In 1989 it again lived up to that reputation. Its ruling party, the Polish United Workers' Party (*Polska Zjednoczona Partia Robotnicza*, or PZPR), became the first in Eastern Europe to come to terms with the inexorable erosion of its power and of its *ultima ratio*, the specter of Soviet military intervention. In an act that was as dramatic as it was unprecedented, the party gave up its hallowed "leading role"—that is, its monopoly on power—and agreed, at first de facto and eventually de jure, to reconstitute itself as a "loyal opposition" within a genuine if nascent parliamentary system.

The transition from one-party dictatorship to constitutional pluralism was neither swift nor smooth. It was preceded by several months of fractious and desultory talks between the government and the Solidarity-based opposition that culminated in the "roundtable" negotiations of February-April 1989. The opposition insisted upon the re-legalization of Solidarity and the acceptance of its founder, Lech Wałęsa, as the government's negotiating partner. Since the official media had long since dismissed Solidarity as an organization that had virtually ceased to exist, these conditions were hard for the party to swallow, especially so for its hard-line apparatchiki (popularly known as *beton*—concrete). The OPZZ (*Ogólno-Polskie Związki Zawodowe*), the officially sanctioned trade union federation, also resisted as did otherwise "reformist" but bitterly anti-Solidarity party leaders such as Mieczysław Rakowski (first secretary of the PZPR since July 1989).

Rakowski's hostility dated back to his abrasive confrontations with Solidarity in 1981, when he served as General Wojciech Jaruzelski's "contact man" with Solidarity and opposition circles in general. In September 1988 he was named chairman of the Council of Ministers and immediately launched a two-pronged policy: to put teeth into the program

---

Abraham Brumberg is the editor of *Poland: Genesis of a Revolution*, published in 1984. He has written on the Soviet Union and Eastern Europe for various American and British publications.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of economic renewal, badly botched by his predecessor, Zbigniew Messner, and to contain the growing power of the opposition.[1]

Both these attempts came dismally to grief. Inflation continued to soar, productivity declined even further, and patchwork solutions, such as increasing the import of consumer goods, had to be scrapped for lack of hard currency.[2] The country had already experienced two waves of industrial strife in May and in August; as 1988 drew to a close it was on the verge of yet another and possibly far more violent explosion. Public anger was heightened in late October when the Rakowski government announced its plan to close the Lenin Shipyard in Gdańsk, birthplace of Solidarity. On the face of it, to shut down so grossly unprofitable an enterprise made good economic sense and was congruent with the principles of marketization embraced by Rakowski. Yet the timing of the announcement and the choice of precisely that enterprise could have only fueled public anger. To delay a government-opposition roundtable any longer, therefore, was to play with fire.

At the end of December, a plenary session of the PZPR Central Committee was the scene of acrimonious debate between the hard-liners and the pragmatically minded "reformist" members of the committee. The latter, who were in favor of the roundtable, finally prevailed, but only after some of them, including Jaruzelski, threatened to resign. Rakowski, catlike in his ability to land on his feet, asserted that the time had come "to look at reality" straight in the face and not indulge in "wishful thinking." In words that would come back to haunt him, Rakowski added:

> Marxism says that the system that creates superior conditions for economic progress is the better one. Either socialism will become this sort of a system, capable of satisfying political and everyday aspirations, particularly of the younger generation, or it will pass into history as an experiment that failed.

Jaruzelski, hardly a "reformer" but determined to be known by present and future generations as the man who delivered his country from fratricidal bloodshed, affirmed his commitment to "the aspirations of working people . . . for political

[1] The government of Zbigniew Messner resigned in September 1988 after an unprecedented attack on its economic policies, mounted both by the press and deputies of the Sejm.

[2] See "Toward De-etatization and Democracy: The Challenge of the 'Round Table' Agreement," by Bartolomiej Kaminski, in *Pressures for Reform in the East European Economies*, Vol. 2, Joint Economic Committee, Congress of the United States, Oct. 27, 1989, p. 141.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

representation" and to the "development of our economy and the stability of our state." When asked whether he would meet with Wałęsa, the general again fixed his gaze on history and tersely replied, "a politician never says never." Jaruzelski's concept of how a politician behaves apparently had changed since the days of martial law.

II

The decision of the Central Committee to allow Solidarity's reinstatement was a momentous political breakthrough. In effect, the party opened the door to a thorough review of its entire historical record. For fully two months participants of the roundtable (58 in all) concentrated on two issues: past failures and possible solutions.

A detailed examination of Poland's paramount problem—the steady disintegration of its economy—is beyond the purview of this article.[3] Suffice it to say that since the early 1980s Poland's net production and standard of living have been far below their 1978 levels, and that in 1989 inflation reached triple-digit figures. Whatever their other differences, nearly all Polish economists agreed that there were only two solutions: converting the centralized economy to a market-based one, and implementing commensurate political reforms (such as emasculating the entrenched administrative and political apparat, diluting censorship, allowing freedom of association and vesting more power in representative bodies).

Proposals for some form of "mixed" economy had been fielded by leading Polish economists ever since the late 1950s, only to be scuttled repeatedly by an apparat fearful of political consequences. In this respect, Poland was distinctively different from some of its neighbors. János Kádár, for instance, felt secure enough in 1968 to overcome Hungarian bureaucratic resistance and force through some rudimentary economic reforms, as well as a dose of political liberalization, under the slogan "who is not against us is with us." In Czechoslovakia, during the "Prague Spring" of 1968, even some conservatives proved receptive to the notions of Ota Sik and other "socialist market" economists.

[3] See, *inter alia*, John P. Hardt and Jean F. Boone, *Poland's Renewal and U.S. Options*, Congressional Research Service, Washington, D.C., June 1987; "The Economic System and Forms of Government Controls in Poland in the 1980s," by Bartolomiej Kaminski, and "Poland: The Anatomy of Stagnation," by Zbigniew Fallenbuchl, both in *Pressures for Reform*, *op. cit.*, pp. 84–102 and 102–137, respectively.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Repression was one side of the coin, liberalization the other: Regimes that could afford to use force could also afford to dispense with it.[4] In Poland, however, each successive ruling elite was hounded by an abiding sense of weakness and lack of legitimacy, leaving it averse to both outright repression and genuine liberalization. Since the 1950s, every outbreak of discontent was followed by waves of arrest and harassment—and then by promises to turn over a new leaf. The promises were invariably broken, paving the way for yet another explosion.

Martial law repeated this pattern. In January 1982, barely a month after its imposition, Poland's parliament approved a program of economic reform. Enterprises, released from daily control by centralized ministries, were to be guided by the principles of "independence, self-management and self-financing." The regime paid scant attention to the new legislation, in fact countenancing even greater centralization and bureaucratic muddle. Tough economic measures, such as cutting wages by 25 percent, were promoted. They enabled a reallocation of economic sources and improvement of overall economic performance. But reform was left to wither on the vine.

Martial law was formally lifted in 1983, though some of its most repressive provisions were incorporated in the country's criminal code at the same time. In September 1986 Jaruzelski declared an amnesty for political prisoners. The government further pledged not to "discriminate against" anyone "for his or her convictions," to relax censorship and to enact new electoral laws for "people's councils" (local administrative bodies) and eventually for the Sejm.

Most of the measures turned out to be more sham than substance. While censorship was relaxed and petty harassment of opposition figures ceased, any attempt to form autonomous organizations was severely proscribed. The government solemnly inaugurated a "Social Consultative Council" to help review the country's most pressing problems and propose congruous legislation. However, with its sessions closed to the press and with no mandate to do more than discuss and advise,

[4] It is often forgotten that the martial law imposed by Kádár in 1956 lasted five years, during which at least 2,000 people were executed and perhaps as many as 20,000 were put under arrest. By contrast, martial law in Poland lasted not quite three years and, though severe, claimed few lives. On the other hand, Kádár began making serious political concessions in 1962, while Jaruzelski was unwilling to relax his grip until 1986–87.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the 56-man council became little more than an elitist debating club. Meanwhile the economy stagnated and the government's credibility, such as it was, sank to a new low.

Accordingly Jaruzelski launched a new initiative. In October 1987, he announced a referendum to determine whether the population was in favor of "a full government program for radical economic recovery" and "democratization of political life"—and if so, at what price. The economic recovery would presumably be engineered by "a second stage of economic reforms," whose basic tenets were unveiled for public discussion in July of that year. The putative "democratization of political life" suggested that palliative concessions would be supplanted by full-fledged structural and institutional changes, such as passport regulations guaranteeing free travel abroad, a law on freedom of association, and a new "democratic" electoral law.

Once more, however, the promises outstripped reality. The referendum questions were so broad that the government could claim public sanction for its policies. Aside from the passport regulations, no institutional changes were implemented, and the new electoral law on "people's councils," when finally passed in December 1987, was worded in such a way as to ensure their control by the local party apparat. (Indeed, that is precisely what happened when elections took place in spring 1988.) The government, as if bent on proving that its reputation for distinction rested above all on obtuseness and ineptitude, introduced a "wage and price" policy aimed at freezing wages and imposing drastic increases on the price of food, consumer goods and energy (coal and electricity)—policies that hit hardest the most dispossessed parts of the population.

The results were predictable: a pervasive sense of déjà vu, cynicism, loud grumbling, scathing criticism in the press (both open and underground), the strikes of May and August 1988 leading to the fall of Messner's "wage and price" government, Rakowski's accession to power—and, finally, the roundtable.

III

Before examining the results of the roundtable and the other dramatic events of 1989, let me turn briefly to Solidarity and the Polish political opposition in general.

On August 31, 1980, right after signing the so-called Gdańsk agreement, Wałęsa told an enthusiastic crowd: "We

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

have achieved the most important thing—our independent self-governing trade unions. This is our guarantee for the future." Both parts of this statement were to prove only partially true. As millions of people flocked to Solidarity's banners, the union was transformed into a national movement, at first implicitly and then openly challenging Poland's entire political, economic and social system.[5] And the "guarantee" Wałęsa spoke of evaporated on the night of December 13, 1981, when Jaruzelski placed thousands of Solidarity activists behind bars and barbed wire, thus bringing Poland's "renewal" chapter to an end.

From that time on—and to this day—the history of Solidarity has been largely that of a movement in search of identity. In the first few months of martial law its leaders, stunned by the blow, consoled themselves with the thought that Solidarity's fate had been a foregone conclusion. No matter how it had behaved, with greater or less caution, with a more or less conciliatory (or, conversely, intransigent) policy, its end would have been the same.

Yet this assumption begged many questions. Why was the movement caught so off-guard? Why was it not better prepared for Jaruzelski's move, either psychologically or organizationally? What explained the refusal of so many of its nine or ten million members to continue the struggle in the underground? These and other questions eventually led to a soul-searching debate on the causes of the December 1981 debacle, on Solidarity and its adversaries' behavior in 1980–81, and on implications for the future.

For some of the participants in the discussion, such as Adam Michnik, Solidarity's weaknesses were a reflection of its greatest strengths. In an essay written in 1982 while he was under internment, Michnik blamed Solidarity's failure on "a regime which had practiced the art of repression for 37 years." Solidarity had all the virtues and vices of Poland itself, a nation that had for forty years no experience of democratic institutions, no political culture, a nation that had been constantly deceived and humiliated; a nation both cautious and unruly, which valued honor and freedom and solidarity above all, and frequently regarded compromise as capitulation and treason.[6]

[5] This was strikingly illustrated by the all-embracing program adopted by Solidarity at its congress in October 1981.

[6] See *Poland Watch*, Washington, D.C., No. 1, 1982, pp. 92–101.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

But most of those who took part in the debate eschewed Michnik's approach, which—like many others—smacked of "national megalomania," the tendency to ascribe all of Poland's misfortunes largely if not exclusively to "outside forces." As one writer put it, from here there was but a short step to the resuscitation of the nineteenth-century romantic myth of Poland as "the conscience of Europe, the Christ of nations."[7]

The enormous achievements of Solidarity and other groups that flourished under its aegis could not be gainsaid. However, many critics deplored Solidarity's weakness for nationalistic symbols and their indiscriminate embrace of the Catholic Church. Others criticized Solidarity's excessive self-confidence and political recklessness, its penchant for making demands that the authorities, with the best of intentions, would be unable to meet, and its failure to distinguish between the PZPR's hard-liners and reformers—that is, between sworn enemies and potential allies. Violent anti-Soviet rhetoric, often tinged with traditional antisemitism, also came in for censure.

One Solidarity adviser challenged the idea that the radicals (or "fundamentalists") within the union had merely kept up with the galloping radicalization of the rank and file. Citing Solidarity's own polls, conducted in the spring of 1981, he demonstrated that the "radicalization of the masses" in fact expressed the institutional interests of a new bureaucracy—the 30,000–45,000 paid functionaries of the union, "efficient organizers of strikes and other acts of protests, something on the order of professional revolutionaries."[8] Had Solidarity curbed its well-paid "professional revolutionaries," he wrote, and had it opted for a more gradual strategy, it might have averted the final denouement. Many others echoed this view.

IV

In the light of the role Solidarity was to play in 1989, it is appropriate to examine the impact of this often ruthless self-criticism on Solidarity's subsequent modus operandi. What, in fact, is the legacy of the 1980–81 period?

One obvious and paramount fact is that the "renewal" sank roots in Polish soil. Solidarity has survived. It may or may not

[7] "Krótka Historia 'Solidarności' " (A Short History of "Solidarity"), *Arka*, Kraków, No. 1, 1983, pp. 22–42. *Arka* was an underground quarterly.

[8] Tadeusz Kowalik, "Between Agreement and Conflict: Poland 1980–1981." The quotations are from the text furnished to me by the author. It appeared in an underground journal in 1987.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

have survived as an organization, or as a union, or even as a loosely structured movement, but it has certainly survived as a symbol of broad national and political aspirations and opposition to the communist system. By the summer of 1988, Solidarity's membership and popularity had drastically declined; it was in effect reduced to clusters of activists and intellectual sympathizers, and had to compete with a growing number of other oppositional groups. Yet despite such difficulties, the outlawed trade union sustained its image as the only force capable of mobilizing public support against the regime. When the latter finally agreed to a "dialogue," its only available interlocutor was Solidarity.

The increased prominence of pragmatists or moderates such as the current prime minister, Tadeusz Mazowiecki, and Solidarity's floor-leader in the Sejm, Bronisław Geremek, is also a result of the in-house debate. Other factors contributed to it, such as fatigue and growing public distaste for confrontational tactics. Nevertheless, the policies espoused by the moderates—no compromises on basic principles, such as the reinstatement of Solidarity and political democratization, combined with a willingness to negotiate with the regime—reflected a deliberate decision to avoid the crippling mistakes of the past.

Solidarity now has an international reputation as an advocate of restraint and realpolitik, particularly with regard to its attitude toward the Soviet Union. Mikhail Gorbachev's decision to abandon the Brezhnev Doctrine certainly hastened the demise of communism in Poland (and elsewhere in Eastern Europe). Equally, however, Solidarity's firm policy of avoiding inflammatory anti-Soviet rhetoric and of recognizing Poland's "international treaties"—i.e., the Warsaw Pact—facilitated the demise of the doctrine. Solidarity's credibility in the West also paid off. Indeed, it was Western moral and economic support that enabled the Mazowiecki government to embark on austerity policies no communist government would dare to pursue.

Still, some of the old practices lingered on—for instance, the tendency to lump together foe and critic, described in 1988 by one distinguished critic, Stanisław Stomma, as the mirror image of "communist ideology." Another is the still prevalent custom of speaking in the name not only of Solidarity (in itself a rather amorphous body) but of "society" at large. Manichean attitudes—such as ostracism of anyone even vaguely associated

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

or suspected of association with the "Reds"—were bred no less by past experience than by the polarizing climate of martial law. Unhappily, they also indicated that not all of the self-criticism had been taken to heart.

A penchant for arbitrariness, manipulation and secrecy also endures. One Solidarity sympathizer, the political scientist Wociech Lamentowicz, in an essay published in the October 1989 issue of the Paris Polish emigré monthly *Kultura*, called this a preference for "corporatist" rather than "democratic" rules of behavior. The "liberal-democratic style," Lamentowicz writes, "has never firmly taken root in Polish political culture." Corporatism has been nurtured by "the fight against totalitarianism," by "the exigencies of confrontation" and "the Catholic Church's centuries-long experience with just this style of politics." Among its byproducts is the cult of the leader: Wałęsa has taken to speaking of himself in the third person—for example, "Lech Wałęsa is leading you in the right direction," or "as Lech Wałęsa has correctly and democratically decided" (*sic*)[9]—rather at odds with the principles of openness and pluralism espoused by Solidarity.

Nor has Solidarity's close alliance with the Catholic Church been loosened. In a country overwhelmingly Catholic, such intimacy is neither surprising nor unsalutary, provided both sides are aware of their own and each other's institutional interests. Many individual priests offered moral and material succor to the opposition during and after martial law. For several years, churches were the only public places where anti-regime artists could mount their shows and playwrights present their plays.

However, the church as a whole, headed by Primate Józef Cardinal Glemp, has made clear its own agenda, including opposition to "atheism" on school premises, antiabortion legislation and a ban on divorces. Such positions do not necessarily coincide, and in fact are sometimes glaringly incompatible with the ideas espoused by Solidarity. But criticism of the church is generally frowned upon. Glemp's open support for the *Endecja* (the chauvinistic prewar National Democratic Party) and his blatant antisemitism, while a source of profound embarrassment to Mazowiecki and other moderates, have not

[9] In October 1989, Wałęsa arbitrarily dismissed the editor of *Solidarity Weekly*, appointing his own man and causing the entire editorial board to resign. This, as Geremek's press secretary told me, was "nothing short of disaster" (interview, Oct. 21). See "Tygodnik Solidarność—opis konfliktu," *Gazeta Wyborcza*, Oct. 4, 1989.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

been openly condemned by Solidarity's spokesmen. Thus *Solidarity Weekly*, when still under Mazowiecki's editorship, refused to print an article by the noted Solidarity journalist Konstanty Gebert (Dawid Warszawski) strongly critical of the primate's antisemitic pronouncements.

V

It is with this complex legacy that representatives of Solidarity, along with members of other groups (such as the pro-regime Democratic and United Peasants' parties, the OPZZ, the church and anti- and pro-regime lay Catholic associations), sat down at the roundtable in February 1989.

For the opposition, the paramount goal was institutional political pluralism: Economic reform would come only after the establishment of a democratic decision-making mechanism. Pluralism was also a government priority, but differently defined. For the opposition, pluralism meant power. For the regime, it was a means of investing the opposition with joint responsibility for potentially unpopular policies. Succinctly put, the difference between the two sides was "acute: dissemination of the power to make policy versus dissemination of the responsibility for its results."[10]

The results of the two-month negotiations, as formalized in the accords signed on April 5, were contradictory.[11] Politically, the opposition won a staggering victory. Solidarity was legalized, as was its sister group, Rural Solidarity. The accords recognized the principle of separation of powers within the three branches of government. The legislative branch (National Assembly) would consist of two chambers, the Sejm and the Senate; the executive of a strong presidency; and the judicial of an independent National Judiciary Council composed of judges elected jointly by the Supreme Court, Supreme Administrative Court and the common courts. "Political associations" were to receive legal status, and the Catholic Church was offered unprecedented access to the media and the right to run its own schools.

By creating a Senate, the accords revived an institution that existed in 1919–1939 and was abolished by the postwar govern-

[10] John P. Hardt and Jean F. Boone, *Poland's Roundtable and U.S. Options*, Congressional Research Service, Library of Congress, Washington, D.C., June 1989, p. 14.

[11] For detailed assessments, see Kaminski, "Toward De-etatization and Democracy," *op. cit.*, and Hardt and Boone, *Poland's Roundtable and U.S. Options*, *op. cit.* For a partial English translation of the accords, see *Uncensored Poland*, London, No. 6, 1989, pp. 8–18.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ment after a fraudulent referendum in 1946. Under the accord, the Senate's 100 members would be elected by a free and direct vote, while in the Sejm, the PZPR reserved for itself and its allies 65 percent of the seats, at least in the first elections (to be superseded in 1992 by completely free elections). The agreement represented a break in the PZPR's monopoly of power—indeed, the beginning of the end of communist rule.

If the political achievements were patent, the economic part of the "package" was rather vague and lacking in guidelines on—as one observer put it—"how to control prices, combat inflation, cope with the international debt [about $40 billion], and simultaneously marketize the economy."[12]

Several factors explain the stark contrast between the accords' political and economic prescriptions. Solidarity's first priority was political restructuring; that was the sine qua non for all other reforms. The lack of any coherent plan for an economic overhaul reflected profound differences among Solidarity's economic advisers. Finally, Solidarity wanted to ensure for itself the loyalty of its working-class constituents, hence its decision to meet the expectations of that constituency, despite the unrealistic price tag. The third factor encapsulated a crisis of identity that still plagues Solidarity: how to be simultaneously a trade union representing the interests of workers and employees, and a political party exercising power—indeed, what ironically became a political party with a de facto monopoly on power.

The accords were outstripped two months later, when elections gave Solidarity—whose candidates ran under the aegis of the newly constituted "Citizens' Committee"—full control of the Senate (99 of the 100 seats). While the PZPR and its allies obtained their assured seats in the Sejm, almost all of their most prominent leaders, including the then-premier, Mieczysław Rakowski, were shown the door. After protracted wrangling, the National Assembly elected Jaruzelski as president, though with a bare one-vote majority.

Events followed each other with dazzling rapidity. The United Peasants' and Democratic parties, once docile "transmission belts" of the PZPR, struck out for independence, thus turning the 65-percent Communist majority into fiction. Solidarity (or, more accurately, the Citizen's Committee), reluctant to take responsibility for potentially unpopular policies, re-

[12] Kaminski, "Toward De-etatization and Democracy," *op. cit.*, p. 146.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

fused the Communists' bid to participate in a "coalition government" headed by the PZPR. The resulting stalemate, however, finally propelled it to take the plunge.

On August 24, Mazowiecki became prime minister. When he named his cabinet two weeks later, the PZPR obtained two portfolios—the ministries of interior and defense—while the smaller parties (now allies of Solidarity) got several others. The defeat of the Communists was complete. From now on, they would have to play that most unfamiliar role—a party in opposition.

VI

Solidarity's victory seemed as complete as its adversary's defeat. Although nearly forty percent of the electorate had abstained from voting, and although many radicals, both within and outside Solidarity, were incensed over what they considered Solidarity's "capitulation to the Reds" (that is, agreeing to Jaruzelski's presidency and to PZPR cabinet members), there was euphoria in the air. Public opinion polls showed that the new ruling team, and especially Mazowiecki personally, enjoyed widespread public confidence. This, the government felt, plus the promises of Western aid gave it the mandate to embark on a course of rapid and comprehensive change.

The euphoria, however, did not last long. In addition to the economic and ecological crises, the new government also faced a staggering array of social problems. Hundreds of thousands of young people, disheartened by the prospect of waiting an average of twenty years for an apartment, and despairing of their future, had already emigrated from Poland; hundreds of thousands more were ready to follow them. The public health system was in tatters. In the countryside eighty percent of the farms, many of them comprising units of less than two hectares, produced little and were mired in poverty. With the deregulation of price controls on food in early September, peasants began to hoard grain and slaughter their cattle, thus deepening the hostility between urban dwellers and the peasantry as a whole.

Indeed, flagrant social inequality has become one of the hallmarks of Poland's nominally "egalitarian" society. At the present time, forty percent of the entire population lives on the brink of poverty, and twenty percent falls below the poverty line. Rakowski's headlong dive into a "market econo-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

my" (deregulation of prices, a wage freeze and similar measures) hit this "underclass" hard. Many members of the nomenklatura were encouraged to take advantage of the new legislation (or, more accurately, of loopholes in the existing legislation) to form their own companies, thus enriching themselves at the expense of the economy's public sector, and engendering massive resentments to boot.

The hardships of a deficit economy have fostered a general breakdown of social mores. So did the blatant hypocrisies of the communist rulers and their baneful record of unfulfilled promises. In the words of the doyen of Polish sociologists, Jan Szczepański, the results have been "the loss of a common system of values, the disintegration of moral principles . . . [leading] to social chaos, the inability to undertake purposeful and effective action, dishonesty in transactions and egoism."[13] According to the editor of a weekly newspaper, a notion of "primitive egalitarianism"—that is, equal opportunities for all—is shared by a large part of the population, which is why elite privileges have been so strongly resented. On the other hand, "speculation," once suspect, now meets with social approval. As Tomasz Jeziorański, an editor of the prestigious weekly *Życie Gospodarcze*, told me last October, "Everyone wants to be a *cwaniak*" (loosely, wheeler-dealer).

In this context of intense economic and social stress, political life has blossomed. With its credibility at an all-time low and with the defection of its one-time allies, the PZPR has been undergoing a severe crisis of conscience. This is nothing new. In the past, after every debacle the party invariably created a (new) commission to evaluate its "mistakes and shortcomings." A report would be issued and just as surely would be disregarded.

This time, however, the crisis was unprecedented in scale. Hundreds of thousands of members have quit the party. Many who remain are working on ideological platforms designed to turn the PZPR into a "genuine representative of the left," democratic and (as nearly all the platforms portray themselves) rooted in the legacy of the prewar Polish Socialist Party (PPS). At the congress scheduled for January 1990, the PZPR—like the communist parties of Hungary, East Germany and

[13] "Nauka a aktualne problemy Polski—doświadczenia i perspektywy" ("Science and Poland's Current Problems—Experiences and Perspectives"), in *Nauka Polska*, Warsaw, May-June 1989.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Czechoslovakia—will no doubt change its name and may well split into two or three competing groups. In the meantime, what popularity the party still enjoys derives from its vigorous opposition to some of the new government's economic policies.

The most notable of the other claimants to the traditions of the left is the OPZZ, with a membership of about seven million (as compared to Solidarity's two million members). It is the catalyst of the "Movement of People of Labor" (*Ruch Ludzi Pracy*) which aspires to represent the legitimate interests of workers against all "bureaucrats," whatever their ideological provenance. The PPS, too, has resurfaced, but it is already split into three factions, two of them ultra-radical. There are also about seven groups clamoring for the mantle of the prewar Peasant Party.

The resurgence of old parties and ideologies is a natural consequence of the virtual absence of genuine political life under communist rule. It has its alarming aspects—a political proliferation reminiscent of Poland's situation after World War I for example,[14] and the increasing prominence of an extreme right that embraces champions of undiluted laissez faire, advocates of a "strong hand," and the *Endecja*.

One thread unifying such groups is a barely disguised, often altogether explicit antisemitism.[15] Though their membership is small, they have earned the imprimatur of Cardinal Glemp, thus potentially enhancing their appeal.[16] Such Solidarity leaders as Vice Minister of Education Walter Kulerski, with whom I spoke last October, are worried about the alliance between Glemp and the extreme right, and the attempts to secure special privileges for the church in public education, radio and television. Others are more sanguine. Now that Poles need no longer depend on the church for protection and succor,

[14] In 1925, there were 92 registered political parties in Poland. See Antony Polonsky, *Politics in Independent Poland, 1921–1939*, Oxford: Oxford University Press, 1972, p. 52.

[15] Thus, the head of the Union for Realistic Policy, Janusz Korwin Mikke, recently accused "the left Jewish intelligentsia" of "having led Poland into the war with Hitler" (*Tygodnik Demokratyczny*, Warsaw, Sept. 17, 1989). Elsewhere, Korwin Mikke called for a "general to bring some order into the country" if it continued to drift into "anarchy and chaos" (*Odgłosy*, Warsaw, Oct. 1, 1989)—a sentiment strongly seconded by one of Poland's leading journalists, Stefan Kisielewski (*Gazeta Wyborcza*, Oct. 15, 1989). Recently, too, the secretary of the new "Polish National Movement" warned that "in ten years people with my views will be hunted down and in twenty they will be tortured and hanged by the Jewish masters of Poland" (*Rondo*, Warsaw, Oct. 29, 1989). There are about 7,000 Jews in Poland today.

[16] According to Glemp, freedom of conscience and religion is a "standard slogan of socialist states that serves to combat religion." If implemented, he has argued, it would sanction activities by such "unacceptable" groups as "Jehovah's Witnesses, Eastern cults and satanists." *Kultura*, Paris, No. 7–8, 1989, p. 171.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

they believe, its power will wane. Catholics critical of Glemp hope that the liberal elements in the hierarchy will prevail. One way or another, the problem remains on the agenda.

VII

How has the new government coped with all these daunting problems? Does its record thus far suggest that Poland has finally been launched on the road to recovery?

Given its lack of experience in running the affairs of a state, the new *ekipa* (team) has scored some striking successes. As expected, Mazowiecki's first trip abroad took him to the Vatican, but shortly thereafter he went to Moscow, where he was given a warm and sympathetic reception. Of the two still unresolved issues between the two countries, one is economic: Poland's six-billion-ruble debt to the U.S.S.R.; the other political/historical: the 1940 massacre of 15,000 Polish officers in the Katyn Forest near Smolensk. There is scarcely any doubt that these men were shot on Stalin's orders, but for two years the Soviet members of the mixed Polish-Soviet historical commission that has been investigating the incident have balked at issuing a final report. When Mazowiecki was in Moscow he suggested replacing the existing commission with a bilateral government commission, insisting that the current situation is unacceptable for Poland.

Mazowiecki's courteous reception in the Soviet Union was upstaged by the tumultuous welcome given to Lech Wałęsa in Western Europe and especially in the United States in November. Wałęsa and his advisers' major goal was to secure generous financial support. Of the requested $10 billion (in credits, short-term "stabilization" and multiyear loans and reduction of interest payments), Poland is apt to receive about $8 billion, spread over the next three to four years. In view of the dismal record of the early 1970s, when the regime of Edward Gierek squandered huge amounts of Western aid, this is no mean achievement.

There has been marked progress in domestic matters, too, such as health and the revamping of the judicial system. The new legislature has functioned well too, which is particularly impressive given its inexperience. At the same time, the new *ekipa* has been grappling with its legacy of still-to-be-learned "lessons," such as its inclination to take the support of "society" for granted. As many observers in Poland have pointed out, the results of the June elections indicated the existence of a

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

large "silent minority" capable of becoming a not-so-silent majority under certain circumstances—such as a further decline in living standards. The volatility of public opinion in Poland is proverbial; only two years ago, for instance, the polls indicated that Wałęsa's popularity was lower than Jaruzelski's. The same could happen again.

In addition, there is the erosion of Solidarity as a trade union, part of its enduring problem of identity. Is Solidarity, or should it be, a trade union, a political party, a national movement, or some kind of hybrid of all three? Perhaps an answer to that question will emerge at the forthcoming congress of Solidarity, to be held sometime in 1990. As in the case of the PZPR congress, fragmentation cannot be ruled out.

The most onerous problem, one which in the opinion of many observers may yet threaten the survival of the present government, is the country's economic system and performance. The economic program unveiled at the end of the year is based on the ideas of the Harvard economist Jeffrey Sachs, who has been urging Poland to take a quick "leap into a market economy." According to Sachs, "a carefully prepared shock program must not mean the lowering of living standards." To be sure, it would entail some "costs," such as rising inflation and temporary unemployment, but these would be outstripped by "swift and conspicuous gains."[17]

Sachs' prescriptions were warmly endorsed by many Solidarity activists, such as Adam Michnik and Jacek Kuroń (now minister of labor), and by several economists, most of them (such as the principal author of the program, Vice Premier and Finance Minister Leszek Balcerowicz) with academic backgrounds and few ties to Solidarity. As finally presented to the Sejm, the program envisions unconstrained prices on all goods and services, elimination of all subsidies, rapid phasing out of all unprofitable enterprises, privatization of government property, internal convertibility of the Polish currency, strict curbs on wage increases and rigid adherence to the principle of "the less government interference, the better." The program also assumes the inevitable rise of unemployment, affecting as much as thirty percent of the country's work force. Departing from Sachs' view, it forecasts a precipitous (if "temporary") decline of living standards, ranging from ten to sixty percent.

Many economists vehemently object to the program, includ-

[17] *Gazeta Wyborcza*, Aug. 28, 1989.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ing such eminent Solidarity supporters as (now Deputy) Ryszard Bugaj and Professor Jan Mujzel. It has been criticized as vague, unrealistic, "utopian." One of the critics has asked: "Who is to wage the struggle against inflation—workers' self-governments or unions? The world knows of no precedent where unions actively engage in the dismissal of redundant workers."[18] Given Balcerowicz's assertion that the government would "do nothing in conflict with liberal [i.e., Chicago School] doctrine," another critic, Mieczysław Mieszczanowski, complained that government would restrict itself to "the role of a watchdog over the market system and distributor of help to those who cannot adjust themselves to it." Mieszczanowski went on:

> If these words become flesh, this government would be the first in the history of the world to adhere firmly to this doctrine. All developed countries, including those (such as the Federal Republic of Germany) whose governments pay obeisance to the liberal doctrine, apply a wide spectrum of government interventions, such as in resource allocation, in investments, in developing technology, income distribution, pricing, export and import.[19]

Above all, the critics have called attention to the immense danger of social upheavals if the projected rise in unemployment and cut in the standard of living actually occur.

Some Western economists also have misgivings. One of the program's most glaring omissions, they point out, is the lack of any concrete plans for a "social safety net." The program is virtually silent on the exact nature, instrumentalities and costs of job retraining, unemployment benefits and the like. It also fails to address itself to what most economists have considered one of the major blights of the Polish economy—the plethora of huge government monopolies that stifle any resolute attempt to establish market mechanisms. Monetary stability—the elimination of the "money overhang"—must be implemented immediately, but price reforms, wholesale privatization, the liquidation of unprofitable industries and other measures that will provoke widespread public fear and opposition should come more slowly.

In effect, the program "amounts to all sticks and no carrots," and fails to envision an ongoing "dialogue" with the

[18] Pawł Bożyk, "Cudu Nie Będzię" ("There Will Be No Miracle"), *Polityka*, Dec. 16, 1989, p. 5.
[19] "I Have Serious Doubts," *Polityka*, Nov. 4, 1989.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

population.[20] The conversion of a centralized command system into a market-based economy is as painful as it is necessary. "Most Poles," in the opinion of *The Economist*, do not "realize what is coming."[21] What is even more alarming is the persistence of "corporatist" or outright authoritarian tendencies. Wałęsa, for instance, has openly called for "special emergency powers" to enable the government to proceed with its policies without submitting them for discussion to the National Assembly. Wisely, the Mazowiecki government has resisted such calls thus far. How it will behave in the future, if or when social turmoil sets in, remains to be seen. A partial retreat from some of the most onerous provisions of the economic program cannot be ruled out; in fact this is precisely what many Polish economists and officials hope for.

VIII

The changes in Poland, of course, take place in the wider context of the decline of communism in Eastern Europe. A few words on these other nations, therefore, are in order.

The Czechoslovak posters proclaim that it took Poland "ten years" to overthrow the communist regime, while East Germany needed but "ten weeks" and Czechoslovakia "ten days." Each has moved in its own way, mindful of its own historical precedents, political traditions and specific circumstances. Nevertheless, Poland has lived up to its "maverick" credentials, ranking as the country that set a precedent for the others.

Poland's immense problems, while distinctive in many ways, are shared, to a lesser or greater extent, by its neighbors. Massive economic problems hound Hungary; they are only somewhat more manageable in Bulgaria, East Germany and Czechoslovakia. In Romania, the last to join the revolution sweeping Eastern Europe and the only one forced into violence, economic breakdown is matched by the disintegration of the country's political institutions. In addition, unlike the other countries, Romania has had no functioning political opposition ready to provide the necessary leadership and coherent political vision.

Poland's headlong plunge into a market economy will not necessarily be followed by other countries. Hungary has thus

[20] According to John Hardt, senior specialist in Soviet economics at the Library of Congress and author of many studies on the Polish economy. I am grateful to Mr. Hardt for his help with this section of my article.

[21] Dec. 23, 1989, p. 25.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

far opted for a more gradual approach. In East Germany, which still has surviving left-wing traditions and considerable sympathy for the West German Social Democratic Party, a "social welfare state" may well come into being, perhaps in some form of confederation or even under conditions of outright unification with the Federal Republic. Czechoslovakia may also develop in this direction. (Czechoslovakia's economists have in fact been critical of Poland's economic reforms.)

Fierce nationalism and xenophobia have long been part of Eastern Europe's political culture. These traits pose a danger to the growth of a stable and truly pluralistic democratic order. In welcoming and admiring Eastern Europe's rout of communism, we must not close our eyes to some of the region's potentially insalubrious aspects as well.

The demise of communism in Eastern Europe is likely to have a profound impact on the U.S.S.R. National and secessionist movements have swept the Soviet empire, from the Baltics to Moldavia and the Caucasus. Gorbachev's decision not to send troops to Romania, and the Supreme Soviet's formal repudiation of the Brezhnev Doctrine, raise questions of whether Gorbachev could successfully use force to suppress nationalist movements within the Soviet Union, any more than outside. In the meantime, the demands for secession will no doubt grow—-Moldavia, for one, may eventually opt for some kind of association with a new democratic Romania. All these pressures will present Gorbachev, the architect of perestroika and the man most responsible for the demise of communism in Eastern Europe, with a formidable challenge to his skills and possibly even his power.

Finally, what about the role of the West, and especially of the United States? The West European countries have been notably supportive of the East European revolution, and the United States, too, having finally abjured the "evil empire" syndrome, has been demonstrating considerable understanding of and sympathy for the changes in the U.S.S.R. and in the (formerly) "socialist bloc." Democracy in Eastern Europe has come without outside intervention—indeed, with virtually no assistance from the West. But a carefully designed program of Western assistance may well help to shape the future of the post-communist world.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Robert A. Scalapino

ASIA AND THE UNITED STATES: THE CHALLENGES AHEAD

The extraordinary events in the Pacific-Asian region over the past year pose two overarching challenges for U.S. foreign policy: how to respond to the crisis in Asia's Leninist societies, and how to confront the problems arising from the accelerating economic interdependence of the region's market economies. In addition, there is the question of gauging the basic political trends throughout the Pacific-Asian region—in particular, whether a recent general movement toward greater political openness is likely to endure.

The question of how to respond to the diverse developments within the Leninist world has assumed critical importance. For the first time since the Bolshevik Revolution, a peaceful evolution beyond Leninism seems under way. It is important to note, however, that while such a prospect appears close at hand in most East European societies, as one travels further east the possibilities lessen for a near-term establishment of parliamentary democracy. The political fault line runs through that great Eurasian power, the Soviet Union.

The recent stirring upheavals in Eastern Europe were stimulated by changes in Moscow's policies: Mikhail Gorbachev's bold extension of political openness and his repeal of the Brezhnev Doctrine, which had proclaimed that no nation was free to leave the socialist camp. But uncertainties for the future are embedded in Gorbachev's rejection of political pluralism for the U.S.S.R. and, more important, in difficulties arising from ethnic conflicts within the Russian empire and Gorbachev's efforts to revive the Soviet economy. Still farther east, Asia's Leninist leaders proclaim that experimentation shall be confined principally to the economic realm, with the vital political ramparts to be protected at all cost.

What accounts for the growing cleavage within the Leninist world? Is it that one major stream of the Western cultural

---

Robert A. Scalapino is Robson Research Professor of Government and Director of the Institute for East Asian Studies of the University of California at Berkeley. He is also Editor of *Asian Survey*.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tradition has now reasserted itself in those societies that border on Western Europe? Have traditions of individualism and quasi-independent social institutions (including the Christian church) kept the spark of pluralistic politics alive? Should one give equal credit to the proximity to Eastern Europe of the examples of dynamism and renewal to be seen in the open societies of Western Europe and the United States? Socialist leaders have recognized for some time that the competition for power and influence is being lost to such societies.

Meanwhile, at the mass level, the titanic information revolution sweeping the world has made popular comparison between societies possible, changing forever the techniques of control available to authoritarian systems. The reliance of such regimes on the blind faith of the people, imbued by cradle-to-grave indoctrination and buttressed by isolation, is giving way to a realization that they can retain legitimacy only through improved performance. Increasingly the citizen in Leninist societies is asking his leaders, "What have you done for me lately?" Demands for economic advances and an expansion of cultural-intellectual perimeters constitute a popular challenge to the old order. The shift from faith to a consciousness of what might be has been rapid—and here lies the essence of the revolution that now assaults Leninism.

Thus, more urgently than at any time in the past, the question of whether the United States can and should assist that ongoing revolution must be an important item on the American policy agenda. Simple answers to this question will not suffice. Is a complex set of incentives and disincentives on the part of the United States feasible and warranted? To what extent can the United States and other open societies influence the course of events at a time when Leninist societies are in upheaval? Conversely, if Leninist societies retreat from openness or show an unwillingness to adjust to new currents, should there be a negative U.S. policy response?

The relevance of these questions to Asia is no less than to Europe, but the present context in which they must be answered differs significantly. In Asia either there has been no movement toward political openness (Mongolia and North Korea), or there has been some progress followed by a retreat (China and Vietnam). The strong prospect for the intermediate future is that the Asian Leninist states, rather than moving toward parliamentary government, will evolve toward an authoritarian-pluralist system. In such a system politics would

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

remain authoritarian, more open than under the Stalinist model yet retaining numerous restrictions, while the society's economic and social institutions would become more pluralistic. This model, it should be noted, has been characteristic of a majority of Asia's developing nations. Moreover, societies like South Korea and Taiwan scored such advances under authoritarian-pluralist governments as to lay the socioeconomic foundations for an experiment in democracy.

II

The political upheaval in the People's Republic of China in the spring of 1989, and the regime's military crackdown that ended it, demonstrate how extraordinarily delicate a time it is for politics in China.

In Leninist societies today, those dedicated to basic change must periodically test the frontiers of permissible criticism of governments having a heritage of strong authoritarianism. If they push too hard too fast, a violent reaction from the state is possible, followed by retrenchment and repression. On the other hand, if the government concerned resists change or misses the opportunity for accommodation, it risks a drastic erosion of its legitimacy and an increased likelihood of bloody confrontation with its own people.

The events that unfolded recently in China were the culmination of years of a reform program producing mixed results. Despite major achievements since 1978, economic conditions had begun to reflect mounting problems by late 1985. Serious structural imbalances, explosive increases in money supply, an impasse in price reform, huge subsidies and corresponding budget deficits, unemployment, rising inflation and omnipresent corruption all worsened in tandem. Increasingly, the government and party leaders wrangled over what to do, creating fissures in top ranks. Of course, Chinese leaders were not alone in facing such dilemmas. No communist state has yet found a painless way to move away from the Stalinist economic strategy, or an effective method of combining command economics and a free market. Yet in China the urgency of change was heightened because a growing number of people, especially those in intellectual circles, were receiving word of the phenomenal material success of South Korea and Taiwan as well as of the new tides in Eastern Europe.

But despite all the deeply rooted causes, the tragic events in Tienanmen Square and elsewhere in China were not inevita-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ble. Insufficient credit has been given to the element of human error. If the government had established an early and earnest dialogue with the students; if it had avoided the incendiary *People's Daily* editorial of April 26; if it had refused to declare martial law or applied more humane riot control measures, the outcome would have been greatly altered. And if the students, having generated massive urban support and possessing the capabilities of further political action, had vacated Tienanmen Square by the latter part of May, the result would also likely have been different.

Political disunity at the top of the Chinese political structure further complicated any coherent governmental response to the burgeoning unrest. Nor is the crisis over. As 1989 came to a close, estimates of China's future varied widely, but most observers agreed that the immediate future promised years of transition with further changes—and quite possibly a number of changes—likely in both leadership and policies. Not merely one man, but a generation of old revolutionaries will soon pass from the scene. There is scant evidence, however, that present succession plans will be more successful than those attempted in the recent past. The legitimacy of the party and state is at its lowest level since the communists came to power, and the problem naturally casts a shadow over all who now occupy top party and state posts.

In the policy realm, the prevailing theme of continuing to open up economically while holding fast to sinicized Leninist political values has limited viability. To be sure, the current efforts to cool down the overheated economy are eminently rational, and certain economic maladies may be corrected in the course of the next several years by means of the rigorous retrenchment now under way. Moreover, one should never underestimate the underlying vigor, the enterprising spirit, the survivability of the Chinese people. The time-honored Chinese method of development is first a surge ahead, then retreat and consolidation, a method well encapsulated in the phrase, "Two steps forward, one step backward."

Unfortunately this expression tells us little about the length or timing of the steps. One thing is certain. Whatever the degree of success of the present stringent measures, very considerable sacrifices are being demanded of the Chinese people, both urban and rural. Under such circumstances, political liberalization is difficult. Yet in some form, and certain to take its own Chinese path, further political change is

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

inherent in the combination of China's domestic economic goals and international political trends. Even now, different leaders of the Chinese government are sending out diverse political and economic signals.

It is in this context that one must examine the present status of U.S.-P.R.C. relations, and the prospects for their future.

The strategic factor so important in underwriting the original Sino-American rapprochement, while it has not disappeared, has declined. Moreover, President Nixon's suggestion that Washington and Beijing should consider together the need for a strategic counterforce against rising Japanese power will have limited appeal either to China or the United States. Whatever the problems that the two countries face with Tokyo, neither would benefit from an adversarial posture toward Japan, nor find in the other an adequate substitute for Japan.

There is a factor that should persuade rational Chinese leaders to maintain Beijing's tilt toward both the United States and Japan despite repeated proclamations of nonalignment and the recent downturn in Sino-American relations. These are the two nations in the best position to provide the key products, capital and technology essential for China's long march to development. There are other possible sources for these things, to be sure, and China is reaching across ideological-political lines to Taiwan, South Korea and Western Europe. Yet the United States and Japan remain the strongest long-term prospects, assuming P.R.C. policies follow a logical course. In addition, the low-level strategic relationship established earlier between China and the United States has certain advantages for both parties. To some extent, China might find a substitute in Western Europe, at least for hardware. It is not likely to turn to the Soviets, despite normalization of relations. The United States remains at the forefront, however, both in terms of state-of-the-art technology and strategic reach. And it poses no threat.

Despite these facts, U.S.-P.R.C. relations seem at low ebb. Political considerations have had the upper hand. The American response to the June 4 Tienanmen Square massacre was instantaneous and massive. No event has ever had greater simultaneous media coverage. Virtually overnight, the American people saw the Chinese system in a new and strongly negative light. In one reputable U.S. poll taken a few weeks after the bloodshed in Beijing, three-quarters of the respon-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

dents voiced condemnation of the P.R.C. government. The Bush Administration issued its own criticism of the P.R.C. government's actions, provided sanctuary to dissident Fang Lizhi and his wife, cut off military sales, suspended high-level official contacts, expressed its opposition to international loans to China and issued advisory notices against American tourists going there. A majority in Congress desired to go further, and in a series of actions, sought to toughen economic measures against China and alter the conditions applying to cultural exchanges.

Once again, and in dramatic form, a classic American dilemma unfolded. More than any other people, American citizens demand that their country's foreign policy rest on moral foundations. It may be claimed that certain U.S. policies are in fact immoral, or that contradictions in the application of American principles abound. But the underlying sentiment of Americans for "moral policies" remains, and is frequently given voice by the Congress.

In dealing with China in recent months, the Bush Administration has searched for a balance between an adequate expression of moral disapproval and actions that reflect long-term U.S. national interests. They see these interests in policies that are at once "realistic and flexible," acknowledging the fluidity of the Chinese scene and avoiding any irrevocable steps. Adherents to this position emphasize the danger of "isolating China," or driving that country into further "irrational acts." Broad economic sanctions have been opposed, with the additional argument that without extensive international support, which is lacking, they cannot be effective, and that the most meaningful sanctions are those applied by the private sector—of America and other countries—as the business community reaches economic judgments on the Chinese future. Actions that would serve to severely restrict cultural exchanges have also been vetoed. Yet President Bush sent National Security Adviser Brent Scowcroft and Deputy Secretary of State Lawrence Eagleburger to Beijing twice, the first time secretly, the second openly, ostensibly to brief P.R.C. leaders on the December Malta summit meeting.

The Chinese response has been mixed. Publicly, harsh words have been uttered. Infuriated by the sanctuary given Fang, stung by the repeated American charges of basic human rights violations and apprehensive over the actions of Chinese students and refugees now in the United States, Beijing

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

adopted a traditional tactical position. It asserted that because the United States "interfered" deeply in its internal affairs, China was the aggrieved party and thus it was up to Washington to take the initial steps to remedy the breach. "Face" had to be preserved. This is "morality," Chinese-style.

To make their shaky case, Beijing's authorities have argued that the "counterrevolutionary rebellion" against the Communist Party and state was fomented both by domestic subversives and by certain foreign forces. Prominent among the latter, they charge, was the Voice of America. More recently, the official argument has been broadened by the assertion that human rights is a domestic, not an international, issue. Cultural differences, it is argued, give each state the right to define human rights for itself. More ominously, leaders of the Chinese Communist Party have reissued an old call to the people, giving them the choice between "an independent China" or support for "bourgeois liberalism," a course that allegedly will lead once again to the domination of all Chinese by foreign powers.

This charge is expanded as P.R.C. spokesmen join with North Korean and Vietnamese authorities to assert that, having abandoned efforts at military hegemony, the capitalist nations led by the United States are now pursuing "the insidious policy" of destroying socialism by encouraging "peaceful evolution" in the direction of liberalism. In these messages are contained appeals to that element of xenophobia that lies just beneath the surface of this very ancient, very proud society. They also contain warnings to those "comrades" in Eastern Europe who are leaving the Leninist fold. Taken together, the official pronouncements represent an effort by a weak and beleaguered government to summon up a racially tinged nationalism at a time when other weapons short of outright coercion are of limited effect.

On the other hand, certain top Chinese leaders are also sending clear signals that they do not want relations with the United States to deteriorate. Meetings with prominent Americans are widely publicized. Accounts of new economic ventures by U.S. entrepreneurs, however modest, are heralded. And, more important, in a quiet, unobtrusive way, new cultural arrangements are being approved together with the renewal of old ones. Moreover, the initial pronouncements after the public U.S. visit in December were clearly positive, figuratively a sigh of relief that the worst might be over.

Caution in making predictions about China has rarely been

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

more warranted. Once again, a struggle over power and policy lies ahead. A single party line does not exist today, nor is the complex situation adequately described as a struggle between two lines. Many voices are being heard. Disjointed decisions and subtle sabotage coexist with efforts at recentralization and old-fashioned methods of control. Thus the situation serves to amplify the discrepancies between words and actions that have always been a vital part of Chinese political culture.

The future of U.S.-P.R.C. relations naturally depends heavily upon domestic developments in China, but in the long term, as previously asserted, a compatible, supportive Sino-American relationship has an innate logic that cannot easily be vitiated. Thus the times call for the exercise of diversity and sophistication in U.S. policy in both the public and private sectors. Policies consciously plural in nature must speak to various constituencies in a China that is by no means monolithic nor centralized, despite recent events.

III

Meanwhile, in North Korea, there is limited but persuasive evidence that Kim Il Sung's regime seeks greater contact with the United States, in company with further alterations in its past autarkic policies. Pyongyang has two deep worries at present. First, it is appalled by developments in Eastern Europe and the Soviet Union and equally concerned about the spreading contacts between South Korea and both China and the U.S.S.R. The diplomatic recognition accorded the Republic of Korea by Hungary and, more recently, Poland, may be only the first instances of "treason to socialism," in Pyongyang's view. Second, North Korea is aware of the progressively widening gap between its economic strength and that of the South, a product of its clinging to an archaic Stalinist economic strategy and of extremely heavy military expenditures.

Slight progress was recorded in North-South relations at the end of 1989. In the Red Cross negotiations over visits between divided families, an agreement in principle was announced in November, but the North's insistence on performing revolutionary operas in the South at the time of the visits held up a final accord. South Korean sources believe that the North was seeking an excuse to postpone visits, possibly waiting for political developments in the South to indicate the stability of President Roh Tae Woo's government.

On a more general level, there remains a very large differ-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ence between the two Korean governments on the basic issues relating to reunification. The South favors the creation of a "climate of trust" through a growing network of economic and cultural contacts, while the North calls for far-reaching political and military agreements at the outset. Both sides have advanced frameworks for reunification, the North's proposal labeled a "Confederation of Koryo," the South's more recent plan outlining a "Korean Commonwealth."

Yet once again one is made aware of the current gap between developments in Europe and Asia. The extraordinary changes underway in East Germany suggest that German reunification may be possible at some point in the future through institutional fusion. In Asia, on the other hand, the formula advanced by the communists, both Korean and Chinese, is "one nation, two systems," reflecting the continuing, indeed widening, differences between political developments in North and South Korea, and between China and Taiwan. One can only be deeply skeptical of the feasibility of the one-nation-two-systems formula, especially if the Leninists insist upon a monopoly of power in their sector. But will the current trends in socialist Europe ultimately make their appearance in socialist Asia?

The present situation contains elements of promise. Another Korean War seems most unlikely, given the credibility of the U.S. commitment, the growing strength of the South and the attitudes of both China and the U.S.S.R. Like China, moreover, North Korea now signals that it wants increased trade and foreign investment with capitalist countries, as well as many more tourists. Almost certainly, the process of reaching out to the advanced market economies will accelerate as a younger, better educated elite emerges into positions of authority and efforts are made to improve the North's lagging economy. To be sure, the deep fear of being polluted by "bourgeois liberalism" may well result in an unpredictable policy course. And leadership will be a critical variable.

The qualities of the "Dear Leader," Kim Jong Il, the son of the aging Kim Il Sung, are matters of very considerable doubt despite the fact that North Korean spokesmen insist that he and a younger team are already in charge of day-to-day affairs. Like Deng Xiaoping, Kim Il Sung may soon step down officially while continuing in fact to be the final authority. The broad pattern is one of second-generation technocrats rising in governance and older military "loyalists" guarding the throne.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Whether succession will be smooth when Kim Il Sung dies is an unanswerable question at present.

Under these conditions, what should be the position of the United States? First and foremost, the United States should continue to signal that relations with North Korea will neither move greatly ahead nor fall significantly behind developments in Korea's North-South relations. Every encouragement should be given to those negotiations. In close collaboration with the South Korean government, moreover, the United States should develop a timetable for troop reduction and reposition in South Korea, making it clear to the North that Washington's basic security agreement with Seoul will remain intact and that the timing and extent of troop reductions will relate to progress in reducing military and terrorist threats from the North.

Meanwhile the official contacts via the two countries' respective embassies in Beijing should be continued, and as soon as conditions warrant, be given greater substantive content. In addition, there is every reason to increase U.S.-North Korean cultural contacts. Pyongyang has recently invited certain Americans whom they consider to be politically mainstream, and having ties with governmental and intellectual circles, to visit North Korea. The dialogues that took place were nonpolemical and fruitful in signaling current North Korean views. Intellectual and cultural contacts can now be usefully expanded. Washington needs an exchange of views and greater knowledge about trends in the North, and North Korea's needs in these respects regarding the United States are at least equally great. The time when North Korea, or any nation, can completely isolate itself is ending, and U.S. policies should take advantage of that fact.

Efforts at normalization of U.S. relations with Mongolia have as yet produced very minimal results, despite the hopes of some Mongols, especially younger intellectuals. For no very good reason, benign neglect continues to mark American attitudes and policies. The Mongols, meanwhile, naturally watch developments in the Soviet Union with the greatest interest since their primary ties remain—and are likely always to remain—with Moscow. No other nation is a credible defender of Mongol independence against China. Improvement of Mongolia's relations with China has accompanied Sino-Soviet normalization, but a strong legacy of suspicion remains on both sides. Like other parts of Asia, however, Mongolia is

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

preparing to expand its contacts with the external world and, not surprisingly, Japan is stepping forward with augmented economic assistance. Here too the United States could fruitfully advance cultural ties including educational exchanges.

IV

Indochina presently provides the world with some very knotty problems. Yet the United States remains a relatively marginal player in this region despite the exhortations of various parties, including some Americans, for more active involvement.

U.S. relations with Laos, a country politically close to Vietnam but economically attracted to Thailand, are now in a state of limited normalcy. Policies regarding Vietnam and Cambodia remain on a course set earlier. Hanoi ardently wants the United States to remove its opposition to international loans and lift the embargo on American trade. It would be pleased if Washington were to accord the Democratic Republic of Vietnam diplomatic recognition. Yet recent trends in Vietnam's political stance scarcely encourage such policies.

All Vietnamese troops were supposedly withdrawn from Cambodia by the end of September, but international inspection has not been allowed. In addition, Hanoi continues to take a hard-line, uncompromising stand on the Cambodian issue. Evidencing deep concern over developments in Eastern Europe and the U.S.S.R., moreover, Hanoi has issued open warnings to comrades in Poland and elsewhere against the abandonment of Leninism. A retreat in Vietnam's domestic political policy in recent months is perceptible, despite Hanoi's continued commitment to a more open economy. Further, Hanoi has charged, as have other Asian Leninist regimes, that the United States is seeking to defeat socialism by insidious means, providing aid to anticommunist elements so that power can be shifted to "the enemy." Some improvements in the economy have been reported in 1989, but Vietnam remains one of the poorest countries in the world, with inefficiency, waste and corruption omnipresent. The political apex remains controlled by a poorly educated gerontocracy whose wartime unity has now unraveled.

The United States will undoubtedly accord diplomatic recognition to Vietnam at some point. The current position of the Bush Administration is that until Vietnamese withdrawal from Cambodia can be verified by an independent inspection, and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

until some indications of Hanoi's cooperation in a peaceful resolution of the Cambodian problem are forthcoming, recognition would only confirm the Vietnamese in their present course while undermining the peace effort of the Association of Southeast Asian Nations (ASEAN). This would widen the breach with China and make a peaceful resolution in Cambodia more difficult. Some Americans demur. They argue that Vietnam's military withdrawal from Cambodia should suffice, and that the United States could assist in inducing a greater harmony in Southeast Asia by pursuing Thai Prime Minister Chatchai Choonhavan's earlier exhortation to turn Indochina from a battlefield into a marketplace. Some observers also suggest that a heightened American presence in Vietnam would enable the United States to compete with the Soviet Union for Vietnamese affections.

Whatever merits there may be in the arguments of the Bush Administration's critics, the idea of a superpower competition for influence in Indochina is of very dubious value. There is no great intimacy between the Soviet Union and Vietnam today. To be sure, militarily and economically, Vietnam is heavily dependent upon the U.S.S.R, but the Soviets deeply resent the drain on their precious resources—aid to Vietnam has totalled nearly $3 billion annually. They might well be grateful if the United States would share the burden, especially since their current goals are a reduction of tension with China and improved relations with ASEAN, both of which goals dictate greater care in their relations with Hanoi. But in any case, it is inconceivable that the U.S. government or people would sanction official assistance to Vietnam. Under improved circumstances, Japan will play such a role.

Meanwhile the Soviet bases are of some value, but they would be of scant use in the event of war, and the new defensive strategy being advanced by the U.S.S.R. raises additional questions about their utility. It is not surprising that Gorbachev offered to give up these positions in exchange for American withdrawal from bases in the Philippines, and it is possible that further Soviet overtures in this matter will be forthcoming.

Cultural relations with Vietnam can and should be expanded as the United States seeks to learn more about the diverse elements in this troubled, tempestuous society. Nor should there be any barrier to nonstrategic private interaction between Americans and Vietnamese in the educational and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

humanitarian fields. Diplomatic recognition now, however, would detract from, rather than contribute to, the resolution of Southeast Asia's problems.

This brings us to Cambodia. Whatever the future possibilities, the Paris conference in July-August 1989 was a failure. The surprising intransigence of the allied Vietnamese and Cambodian government representatives reflected a calculated gamble. Perhaps the Phnom Penh government, with major Soviet and Vietnamese military assistance, can defeat the Khmer resistance forces (the Khmer Rouge, the Sihanoukists and Son Sann's noncommunist troops). Perhaps this anti-Vietnam coalition—always fragile—will break apart. Perhaps key Western nations and other prominent states, including some ASEAN members, will abandon support of the resistance. (That did not happen, however, at the fall U.N. General Assembly meeting, where 124 nations supported the ASEAN-sponsored solution.) If these events were to occur, the gamble taken at Paris will pay off, at least for the immediate future. But if Phnom Penh's troops do not hold, the coalition does not crumble and international support is not forthcoming, the gamble will have failed. In any case a combination of further fighting and political maneuvering now seems certain—although at year's end an Australian proposal for U.N.-sponsored elections was on the table.

U.S. policy regarding Cambodia is under increasing pressure, at least at home. Once again the moral argument has risen to prominence. In Phnom Penh, it is asserted, a moderate Khmer government is emerging, one prepared to encourage private enterprise, work with certain noncommunists and provide assistance in restoring Buddhism. The murderous Khmer Rouge must be kept entirely out of power, it is argued. Although knowledgeable critics admit that a very high percentage of the Phnom Penh government leaders are ex-Khmer Rouge—who did not, incidentally, break with their comrades over the issue of genocide—they argue that the leaders of the Phnom Penh regime are reformed at this point. Prince Norodom Sihanouk, the skeptics assert, is too mercurial to be trusted, has lost his support among the Cambodian people and could find his proper (subordinate) niche in the present Phnom Penh regime.

These arguments cannot be dismissed, but there are other considerations that greatly complicate the picture. If the Khmer Rouge and their allies cannot be defeated and they are

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

not brought into a coalition, the civil war will go on, at great cost to the Cambodian people. Further, it can be argued that if a portion of the Khmer Rouge, along with the noncommunist factions and the Phnom Penh regime, is brought into a four-party coalition headed by Sihanouk, the chances are stronger that the Khmer Rouge can be defeated politically—providing that an international peacekeeping force is permitted to supervise elections and the political processes leading up to them. Moreover, it is asserted, such developments should satisfy China—a vital consideration, since unless China is minimally satisfied there can be no permanent peace in the region.

The current position of the United States implicitly accepts this argument. Adamant opposition to a return of the Khmer Rouge to power is proclaimed, modest assistance to the noncommunist resistance is proffered and support for a neutral, four-party Cambodian coalition government, with developments monitored and assisted by an international body, is espoused. But the debate as to whether such a policy is realistic or sustainable will continue and will ultimately be determined by events over which the United States has exceedingly limited control.

V

The second major issue for U.S. policy in Asia is that of the progressive economic integration that binds market economies in this era. The challenges posed here primarily affect U.S. relations with aligned nations—Japan, the Newly Industrialized Countries and the ASEAN nations. And while those challenges center upon economic matters, they cannot be separated from political and security issues.

It is ironic that at the very time when Beijing authorities are stridently condemning the United States for interfering in China's internal affairs, the United States and Japan are reaching a new level of frankness, each telling the other what it should do at home to improve the economic climate between them. The central U.S. complaints have been Japan's archaic distribution system; discriminatory pricing practices that amount to "dumping"; land and tax policies favoring the farmer, penalizing the consumer and inhibiting the expansion of the domestic market; inadequate enforcement of antitrust measures, and the weakness of the Fair Trade Commission. In late 1989 Japan responded with its own list of grievances,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

citing areas where the United States needed to take immediate remedial action: America's budget deficit; its rampant consumerism and low savings rate; its deficient educational standards; and the general lack of effort on the part of the American private sector to seek foreign markets aggressively, combined with its declining competitiveness.

U.S.-Japanese economic negotiations have proceeded through several stages in recent years: first, removal of tariff barriers; then, currency readjustments; and now, the removal of structural (and policy) impediments. Under the terms of the 1988 Omnibus Trade and Competitiveness Act, the United States has been rigorously pursuing "results-oriented," sector-specific negotiations, having recently used the legislation's "Super 301" provision to cite Japan, along with India and Brazil, as countries engaged in unfair trade practices in key fields. And while insisting that it intends to become "an import superpower," Japan is currently saying officially what it has long proclaimed unofficially: If the United States expects to revitalize its international standing and improve its domestic health, the country must set its own economic house in order.

There is enough blame to be shared by both sides. Japan, like most of the developing countries that have adopted its model, achieved great success through mercantilist policies that it has been reluctant to abandon, at least until external pressure reached explosive proportions. In addition, cultural traits combined with traditional "backward" sectors of the economy (both defended and decried as part of Japan's "uniqueness") have inhibited openness of markets—and in a broader sense, of the society at large. At the same time the United States has mismanaged its macroeconomic policies for many years, slighted education and, through a combination of "cultural traits" and policies, maintained a meager savings rate, a priority on short-term profits and insufficient interest in international markets.

The emotionalism surrounding U.S.-Japanese economic issues continues to grow. The very rapidity with which Japanese capital has penetrated some highly sensitive American areas—most recently, the entertainment industry and prime real estate that includes famous landmarks—has led to growing apprehension on the part of many Americans, a fact clearly evidenced by opinion polls. Even American security is touched by Japanese dominance of the computer memory-chip field, and by the desire of some Japanese to build their own

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

advanced military aircraft. For Congress and the American people, the equivalent to "morality" in this sphere of foreign policy is "fairness" in trade, and one can be certain that Congress will carefully scrutinize the results obtained from the negotiations now in a new phase.

Meanwhile Japanese emotionalism is also on the rise. The 1989 publication in Japan of a book entitled *A Japan That Can Say No* brought the existing mixture of Japanese resentment and pride into the open. Throughout their history, Japanese have wrestled with feelings of inadequacy or weakness on the one hand, and a strong belief in their superiority on the other hand. The paradox frequently leads to high levels of tension. One of the book's authors, Shintaro Ishihara, a prominent political figure, claims that "American prejudice against the yellow race" is a principal cause of the economic friction. He advocates a rejection of "unreasonable" U.S. demands together with a policy of playing one superpower against the other when necessary. In his "exposé," he pays very limited attention to protectionism in its various forms at home, ignores the powerful element of racism in Japanese society (upon which he subconsciously plays) and, in advocating Pan-Asianism, also overestimates the delicacy of Japan's relations with other Asians. Yet his opinions are not to be dismissed. While Ishihara does not represent Japan's mainstream, he speaks for a significant body of Japanese, both young and old.

In sum, nationalism in various forms is rising in both the United States and Japan. And this signals a much broader phenomenon. The interplay between nationalism and internationalism will constitute one of the great dramas of coming decades for the world at large. Can international institutions and decision-making mechanisms be strengthened so that vital economic issues can be resolved or alleviated before they are thrust into the heat of the domestic political arena? And can both the policies and the practices of the major market economies be altered to provide for what Americans call "a level playing field," an essential condition if economic integration is to proceed smoothly?

There can be no doubt that the challenge is difficult. Cultural as well as policy changes are being demanded. Cultures do change, but usually at a pace slower than the circumstances of this extraordinary era require. Moreover both Japan and the United States have weaker governments today than in the recent past, hence, governments inhibited from taking

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

bold measures. And there is a more general problem. Democratization as it unfolds in various forms in Japan and the newly industrialized countries is not generally supportive of the dismantling of protectionism. Special interest groups proliferate and increase in power. Even more than the once-supreme bureaucrat, the professional politician must heed their voices. In democracies, including the United States, only limited rewards accrue to those who espouse farsighted solutions that have no short-term payoff.

Despite the problems, however, the integration of the American and Japanese economies seems destined to continue. The two nations now exchange goods and services exceeding $130 billion annually. And while the U.S. trade deficit with Japan hovers at an unsustainable $50 billion, some American industries such as agriculture and aircraft depend heavily upon Japanese purchases. A considerable portion of the U.S. budget deficit is funded by Japanese bond purchases. And there are supplementary but no less important ties. Two million Japanese visit the United States and its territories annually, and about 500,000 Americans take trips to Japan. Japanese students currently in American universities number over 20,000, with U.S. students in Japan around 1,800, a figure that should be greatly increased. A serious economic downturn in either country would greatly affect the other (and the rest of the world). Indeed, the Japanese stake in the economic health of the United States is steadily growing. Thus, a divorce is unthinkable even if the marriage remains troubled. The task immediately ahead is to reduce or remove as many of the grievances as possible.

U.S.-Japanese security issues are increasingly intertwined with economic matters. As the United States seeks to reduce its military budget, an urgent call has gone out to all U.S. allies to share defense burdens. With the risk of a great-power war at its lowest level in the twentieth century, the American people see the need to readjust this priority. It is thus not surprising that the Congress insists that Japan bear a greater share of the costs of its own defense and beyond this, of assisting in maintaining such a military balance in the region as conditions require.

It remains unclear, however, precisely what the United States would have Japan do in the security realm. It does not want Japan to become a nuclear power. And neither the United States nor the rest of Asia want Japan to have the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

region's foremost military force. At present, Japan is spending some $30 billion annually on defense, making it third in the world in terms of expenditures, after the United States and the Soviet Union. The military budget, however, totals only approximately one percent of Japan's GNP (or 1.6 percent if calculated on the same basis as NATO). Included is some 40 percent of the costs of maintaining about 60,000 American military personnel in Japan, together with the bases they operate. This support could be increased, and Japan could also achieve more quickly its commitment to carry out air and sea surveillance in Northeast Asia. Yet in most other respects, Japan's present status in the military field seems appropriate. The coordination of U.S.-Japanese defense planning and operations has advanced substantially in recent years, and Japan is developing the type of ultra-modern defense force that is best suited to its needs and current strategic-political conditions.

As the United States urges Japan to do more in the military realm, most Asians urge Japan to do less. They fear that history will repeat itself with military supremacy following the development of economic prowess. They are probably wrong.

Japan is in the process of playing the leading role in the economic integration of East Asia, perhaps the most momentous development of this period. In its use (or withholding) of economic power, moreover, it is having a strategic impact. This is what recent Japanese leaders have intended when they speak of the need to treat security in a "comprehensive" manner. It is certain that Japan's direct political role will grow both globally and regionally. For a nation to confine itself to economic actions on the international stage, whatever the side effects, conveys to others the image of excessively self-serving actions and cannot be satisfying to the Japanese themselves. Already, Japan is beginning to speak out on such diverse issues as policies toward the Third World, approaches to the Leninist states and possible solutions to regional crises. Soon, it will take a more active role in these matters including participation in peacekeeping.

Yet Japan has neither the need nor the desire to become an independent military power. The great majority of Japanese are well aware of the hazards of such a course. Nor do they feel a great sense of threat. While the Soviets are not popular in Japan, an invasion by the U.S.S.R. is not feared. If, as some expect, the Soviets decide to offer concessions in the dispute

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

over the four northern islands that lie off Hokkaido, this could resolve (or, alternatively, divide) Japanese opinion on the key territorial issue. And if Moscow holds to its newly proclaimed defensive strategic policy, concerns may be further allayed. In any case, unless the United States totally abandons its Pacific-Asian security policies (a very unlikely prospect), Japan will choose to remain a security partner, not a solo performer, with its priorities shaped accordingly.

VI

Let us now turn to the other nonsocialist Asian states. As various nations of Asia move toward the final decade of this century, two considerations dominate the scene. Development—catching up with those ahead—represents the foremost goal to second and third generation leaders. They have generally placed economics in command of policy-making, demoting ideology in favor of pragmatic, results-oriented policies. This trend characterizes not only the Newly Industrialized Countries but also ASEAN and the major states of South Asia.

The new premium is upon reducing the role of the state in the economic sphere, thereby liberating the private sector. In place of loans, foreign investment is being encouraged, with a search for advanced technology. The trend is away from import substitution policies and toward export orientation—but with varying combinations sought. Like Japan, these states in different degrees attempt to protect their backward or newly created economic sectors. Meanwhile most market economies are finding themselves increasingly involved in an international horizontal division of labor, while seeking at some time to climb up the technological ladder.

It is thus not surprising that in economic relations with many of these countries, the United States confronts problems similar to, albeit of lesser magnitude than, those it experiences with Japan. On a range of issues—from intellectual property protection to market access—the United States presses for remedial measures on the part of its trading partners, with a "stick" in the form of Super 301 but only a small carrot in hand. Today Japan, not the United States, provides the great bulk of economic assistance to Asia.

Understandably, therefore, U.S. policy evokes mixed emotions in the nonsocialist Asian societies. The predominant sentiment is that the United States, as the world's foremost

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

economic and military power, remains essential to the development and stability of the region. No other major nation is seen as an acceptable substitute (only as a supplement), and for the present at least, the medium-size powers of the region do not have the ability, or in most cases the will, to play a greatly enhanced regional role—although the responsibilities of these countries are increasing irrespective of their readiness. Thus, generally speaking, more is expected of the United States in Asia than Washington is prepared to give, and the fear of American withdrawal—first raised after the U.S. abandonment of South Vietnam—has abated little despite its improbability.

On the other hand, a renewed Asian nationalism keeps company with a reinvigorated American nationalism and manifests itself from the political right as well as from the left. American pressure for "fairness" in economic intercourse has recently had some of the same repercussions in South Korea and Thailand as it has in Japan. In addition, radical students in South Korea and the Philippines, and certain politicians anxious to appropriate nationalist banners in the latter country, demand an end to American bases and other manifestations of U.S. "dominance."

One should not exaggerate these trends. Protectionism has its exponents everywhere but, thus far, more rational policies have usually prevailed. Whatever the case for a readjustment of the American security strategy in Asia, future policies are likely to be worked out on the basis of a timetable jointly agreed upon by the governments of the nations immediately concerned. Nor are a majority of citizens or elites in the nonsocialist Asian countries favorable to a precipitous American withdrawal. On the contrary, the bulk of opinion in Japan, South Korea, and in the Philippines and most of the other states comprising ASEAN favors a continued American security presence. Adjustments in that presence will not be dictated by anti-Americanists but by a combination of U.S. economic considerations, advancing military technology and the changing nature of security threats.

Meanwhile, in wrestling with the problems of economic interdependence, the Pacific-Asian states including the United States will be forced to operate simultaneously at bilateral, regional and global levels. Whatever the progress on the latter two fronts, bilateralism is not going to disappear as the principal instrument of economic negotiation in the near

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

future. The countries of Asia are too heterogeneous in their development levels, economic systems and degrees of power to permit otherwise.

Nevertheless, as the events of the past year illustrate, the struggle to create an official association for more effective regional economic cooperation will go forward. Australian Prime Minister Bob Hawke's proposal directed to that end resulted in a 12-nation ministerial meeting on Asia-Pacific Economic Cooperation held in Canberra in early November. Concrete results were slight other than an agreement to continue meeting, hopefully with an enlarged membership.

Asian economic regionalism has a long way to go in terms of an official structure. Even at the subregional level, organizations like ASEAN, the South Asian Association for Regional Cooperation and the South Pacific Forum have very limited economic accomplishments to their credit. Yet they continue to survive and, as the process of Asianization (a growing network of economic, political, cultural and security ties within the region) unfolds, the roots of economic cooperation will extend more deeply—with Japan almost certain to serve as the principal catalyst for a soft economic regionalism of the type that has already emerged in Northeast Asia and is well under way to the south.

At the same time, through vehicles like the General Agreement of Tariffs and Trade, the Group of Seven leading industrialized democracies and the World Bank, the quest for more comprehensive approaches to global economic problems will continue. Contradictions between and among these various levels of international activity are inevitable, and the task of reconciling or minimizing them is but one of the challenges ahead. Perhaps this issue assumes greatest importance in the uncertainties that surround the impact upon others of the post-1992 European Community and the North American free trade agreement. Will stronger regionalism assist or inhibit economic intercourse on a global level?

VII

The second broad goal of Asian nations is stability. For many of the developing Pacific-Asian states, this issue takes on a new urgency as they experiment with parliamentarism. One of the most important political phenomena of recent years, equal to that of the crisis in Leninist states, has been the movement of many Asian states from an authoritarian-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

pluralist system toward that of parliamentarism. In this category one can place South Korea, Taiwan, Thailand and Pakistan, among others. When these nations are coupled with the "old democracies" of Asia—Japan, India, Sri Lanka, the Philippines, Singapore and Malaysia—the growth of political openness assumes striking proportions. Moreover, various countries may stand on the threshold of a similar move, among them Indonesia.

Asian democracy, even with its various modifications, did not invariably emerge as a product of socioeconomic development. The tutelage of colonial rulers, shaping the ideas and values of indigenous elites, was the crucial factor in a number of these societies. To be sure, such tutelage did not always succeed. There have been failures and retreats from parliamentarism, some of them still ongoing. No one ever said that democracy was an easy system to institutionalize. Concepts such as majoritarianism, tolerance for one's opponents, freedom to criticize or even peacefully remove one's leaders and adherence to a government of law rather than of men are generally foreign to traditional Asian political culture. Moreover, democracy entails the acceptance of a greater element of instability than comes with authoritarian systems.

As the 1990s begin, how are the new and old democracies of Asia doing? The picture is mixed, with a complex medley of advances and problems. Yet there is reason for hope, particularly if the central criterion is the responsiveness of the political system to the popular will.

Surprisingly, Japan has moved into a period of greater political uncertainty, with a relatively weak government and the long-dominant Liberal Democratic Party more severely challenged than at any time in its history.

Since a majority of the electorate do not appear to believe that the Socialists can yet be trusted with national power, however, the Liberal Democrats will probably weather the next elections with a reduced parliamentary majority, having possibly learned some political lessons about life under more inclusive politics. But the quest for effective new leaders is likely to extend across the political landscape. The signs accumulate that Japan is entering a new political era as Japanese-style democratization unfolds.

In South Korea, there have been alternate vocal complaints of governmental weakness and of increased political repression. Generally, however, both the government and the major

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

opposition parties have displayed responsibility under difficult circumstances. While those who traveled to the North against government orders are being prosecuted, not a single radical student has been killed in the confrontations of recent months, including one incident in which six police lost their lives. Meanwhile, a conservative reaction to the radical excesses of the student protest movement has manifested itself.

Flat predictions regarding the future would be unwise, but the crucial opening years of South Korean democratization have been navigated with reasonable success, and if the economy avoids a sustained downturn—an issue creating concern at present—the prospects seem reasonably promising. On the fringes, to be sure, both left and right elements exist who would discard parliamentarism—but they do not represent mainstream public opinion. Here too, however, there is a rising desire for fresh leaders across the political spectrum.

In Taiwan, political developments also warrant cautious optimism. As in all societies, certain special circumstances prevail, in this case the division between mainland refugees and their children on the one hand, and the Taiwanese on the other. But the Taiwanization process has now encompassed the ruling Kuomintang itself, and the December 1989 elections went smoothly if raucously, with genuine political competition yielding a dominant party system for the present. The Kuomintang received just under 60 percent of the vote with its chief rival, the Democratic Progress Party garnering 30 percent. Over 75 percent of the eligible voters participated. The situation is one demanding wisdom on the part of those wielding power. The independence issue was openly debated for the first time. Constitutional revision lies ahead, an extremely delicate matter, but the moderates both in the Kuomintang and in the opposition have thus far prevailed.

Moving into Southeast Asia, the dramatic events in the Philippines at the close of 1989 reveal the serious problems that continue to engulf this society. Yet another attempted military coup, the most serious to date, has been put down, with the United States displaying its military muscle on behalf of the government of President Corazon Aquino. No one should underestimate the deep troubles that afflict this state and society. Aquino is an honorable, well-intentioned person, but she has proven to be an amateur in a situation demanding a professional. The social and economic reforms so desperately needed are wanting. Many of Aquino's advisers lack

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

competence, and corruption is still rife in and out of government. Regional and ethnic problems cry out for remedial measures as does the huge gulf between the rich and poor. Under these circumstances, faith in democracy weakens. Neither internal nor external exhortations will suffice. Meanwhile, the temptation by Aquino opponents is to appeal to nationalism with an anti-American twist. There is little here to engender strong confidence in the immediate future despite certain economic improvements.

In Singapore and Malaysia there has also been some political slippage. Singapore's President Lee Kuan Yew dislikes opponents even more than most politicians and he has grown more crotchety and no less dominant with age. Malaysian Prime Minister Datuk Seri Mahathir bin Mohamad, while politically adroit, is a confrontationalist by nature, and as one result, political factionalism has proliferated in his country, with ethnic divisions also continuing to represent a smoldering volcano. Yet in both societies, the institutional framework holds, and it has shaped the political habits of several generations. Moreover strong economies support the political system.

Thailand's transition to a government responsible to the electorate appears to be succeeding despite the continuing power of military men like General Chaovalit Yongchaiyut, and often tense relations between Prime Minister Chatchai Choonhavan and Foreign Minister Siddhi Savetsila. Bolstered by a vigorous economy and an expanding middle class, Thailand has a reasonably good chance to maintain its political openness.

Meanwhile Indonesia, the largest of the states comprising ASEAN, appears to be reaching a late phase of its authoritarian-pluralist era. All eyes are focused on the early 1990s, with the central question whether President Suharto will retire after holding office for more than a quarter of a century. Military men remain in key positions of power, and are likely to influence and possibly control the succession process, at least in its opening phases. A government-sponsored organization, Golkar, dominates the legislature with all other parties subordinate. Political rights are circumscribed, with the government attentive both to the possible resurrection of the communists and the activities of the Islamic fundamentalists. Yet political discourse is expanding as a growing community of articulate citizens evidences a desire to participate more meaningfully in

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the political process. Indonesia's enormous stretch of territory, its heterogeneous cultures and ethnic groups and the mixed results of its economic policies to date may serve to keep the country in its current political mold for the near term, but greater political inclusiveness is en route.

In India, the largest electorate in the world has just participated in elections that resulted in a peaceful change in power. Rajiv Gandhi and the Congress party have been replaced by a coalition government headed by V. P. Singh, leader of the Janata Dal. Almost everywhere, Indian voters registered their dissatisfaction with those in power. Congress lost heavily in the north, its traditional stronghold, but gained in the south where it had occupied minority status. With greater fragmentation at the center, India's political future is unclear. There can be no doubt, however, that the Indian voter has been heard, with leaders of all political persuasions accepting the verdict.

Politics in Pakistan remains fragile in the aftermath of General Zia ul-Haq's still-mysterious death in an air crash. Under Benazir Bhutto, however, democratic processes have been reestablished, and despite the numerous tensions with which this society must contend, civilian rule and competitive politics are in operation, albeit precariously.

Among Asia's open societies, some political failures may ensue. Almost certainly, retreats will continue to take place on occasion, given the fragility of political institutions and the enormity of socioeconomic problems still unresolved. It will be important for Americans to avoid extreme reactions to future political developments in Asia. Yet no one should minimize the broad trend toward greater political inclusiveness and expanded political freedom that has unfolded in Asia in recent years. The task ahead is to match freedom with responsibility, especially at elite levels. Further, the democratic system must be made to function in such a way that it can provide the stability required for effective governance and continued economic growth. To this end the premium is still heavily upon leaders as well as policies. Politics remains at least as much an art as a science.

VIII

In facing the crisis in Leninism, the problems implicit in the spiraling interdependence among market economies and the needs of Asia's democracies, the United States has barely begun to reshape its priorities and rethink its policies. Yet

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

notwithstanding the problems awaiting attention, the current U.S. position in the Pacific-Asian region is relatively good. More than any other major power, the United States remains an object of hope. No other state is so cultivated, regardless of the steady flow of criticism directed against it. Moreover, within America lies the potential for helping the Asian community to make a successful transition from recurrent warfare to the uninterrupted peaceful diplomacy required in these times.

To realize this potential, certain steps are now essential:

—The American house must be put in better order, and this requires serious reforms in the social and political as well as the economic sphere.

—With such reforms underway, the United States will be more justified in insisting upon the removal of other nations' structural blockages to openness—and that is a legitimate request. In an interdependent age, "uniqueness" is not an acceptable excuse. One nation's domestic structure and policies impinge upon those with whom it is intertwined.

—Since the United States wants to see collective responsibility advanced, it must accept collective decision-making, moving away from its past proclivity for unilateralism. Patron-client relations are giving way almost everywhere to diverse forms of partnership.

—With both military technology and the nature of the security threat rapidly changing, U.S. strategic policies in the Pacific-Asian region should be thoroughly reexamined in concert with allied and aligned states. The United States must also prepare for the greater integration of Asian security issues with those now being negotiated in the West, despite important regional differences.

—Toward Asian democracies, new and old, the United States should make every effort to increase the network of private as well as governmental ties, with special attention to technical training and other types of cultural interaction. Support for diverse forms of multilateral economic assistance are also crucial in the period ahead.

—Accepting the fact that there is no longer a unified Leninist world, and that Asian Leninism is currently pursuing a different political course than that of most European socialist states, the United States should base its policies on the probability that the Leninist states of Asia

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

will enter a protracted phase of authoritarian pluralism. In reacting to this likelihood, the premium in U.S. policies must be upon sophistication, flexibility and the proper timing of policy alterations. Even with respect to a single state, moreover, pluralistic approaches may be appropriate, with official and private policies sometimes pursuing separate courses.

—Finally, while the United States must be deeply aware of its limitations in influencing events in this revolutionary era, it should not shrink from boldness in the realm of the ideas and institutions needed to strengthen the new international order into which the world has already entered.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Georges A. Fauriol

THE SHADOW OF LATIN AMERICAN AFFAIRS

Last year was a probationary year for the Bush Administration's policy in Latin America. No one expected bold moves, but creativity and reliance on a broad spectrum of experience were assumed. With an understandable desire to avoid the quagmire in which its predecessor found itself, the new administration adopted a low-profile approach to the region—sharp contrast to President Reagan's ideological policies or President Carter's crusading zeal. Then, in the last few days of 1989, the new administration drew a line through its image of reluctant hemispheric activist and took over Panama militarily to overthrow the government of General Manuel Antonio Noriega.

What has emerged is a form of U.S. policy pragmatism. This would be laudable if only it were anchored by an identifiable regional strategic vision. Although the Panamanian operation demonstrated political courage, Washington's Latin American policy process in 1989 failed to develop a four-to-eight-year strategy. U.S. interest in the Caribbean, for example, almost evaporated. Many in and out of Washington therefore watched with some concern the increasingly complex unfolding and execution of President Bush's Latin American policy.

The U.S. policy emphases that gradually became apparent in 1989 had four main features:

—a tenuous bipartisan consensus in the United States regarding Central American policy, built around a truce struck early in the year between the administration and a Democratic-controlled Congress;

—a belief that the debt problem in Latin America, if allowed to fester, would quickly shift from a giant accounting problem to one with political and security implications;

—the immediate priority of U.S. relations with Mexico;

Georges A. Fauriol is Senior Fellow and Director of the Latin American Program at the Center for Strategic and International Studies in Washington, D.C. He is the author of *The Third Century: U.S. Latin American Policy Choices for the 1990s.*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

—the rediscovery of multilateral diplomacy by the new administration, with policy subplots involving regional narcotic concerns and Panama; limited initial results of the latter triggered on December 20, 1989, the U.S. unilateral action in Panama.

In the absence of a strategic framework the Bush Administration's regional response has been to adjudicate issues bureaucratically for the various executive departments to manage. That process, however, suffered from a number of visible shortcomings. Latin America had not been an issue in the 1988 presidential campaign and much of the Republican and Democratic expertise in that area reached somewhat overlapping conclusions regarding regional priorities. Coming off an easy political succession, it is unclear how wide a net was thrown by the new administration to secure a qualified pool of skills. A degree of back-alley warfare was provoked by Bernard Aronson's appointment as assistant secretary for Inter-American Affairs, and by appointments for positions in the National Security Council and several ambassadorial choices in the region.

Attempts to put Latin American affairs on the back burner had by the last quarter of 1989 stumbled predictably over the renewal of violence in El Salvador, the end of the cease-fire in Nicaragua, the October coup attempt in Panama and subsequent U.S. military operation, a far from complete regional debt agenda and a strong Latin American drug connection. Finally, at a time when the trend was toward liberalization elsewhere in the communist world, considerable attention—if not clear policy interest—was focused on Cuba, or more specifically, on the graying of the Castro government.

As the new decade unfolds, Latin America has become synonymous with drugs, illegal immigration, death squads, guerrillas, capital flight and that nefarious term, "U.S. intervention." Those intractable problems seem stark when compared with the opportunities offered in the Pacific basin, Eastern Europe and the European Community. Latin America's march toward democratization continues, but it is being outflanked in popular attention and strategic significance by dramatic developments in the communist bloc. The attendant financial and trading implications for the United States are of a greater order of magnitude than the sometimes pathetic patterns of Latin American economic management. Latin America, once the fertile ground for foreign investment and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

an encouraging example of development, is in the half-way house of international finance—attempting to beat its addiction to more money, larger bureaucracies and institutionalized corruption.

The degree to which that environment generates pressure for more proactive policies has been very limited. The U.S. approach avoids attending to politically divisive issues that offer no immediate gains, but are nevertheless full of both pitfalls or opportunities in the long run. The situation is made worse by skepticism about the region at the most senior level of the U.S. foreign-policy establishment. As a result, circumstances have not triggered a positive vision of hemispheric affairs, nor contributed to a coherent long-term program.

II

Drugs as a source of national and international concern received high-level attention in early September when the Bush Administration announced a National Drug Control Strategy. Not surprisingly, parts of the plan focused on Latin America, which is the world's single largest source of cocaine, marijuana and, to a lesser degree, heroin. Peru produces 65 percent of the world's coca, Bolivia grows another 25 percent, while Colombia alone refines 80 percent of the cocaine reaching the United States.

Significantly, many Latin American drug producers have now acquired their own consumer populations. To process huge profits (estimates of the U.S. market range up to $250 billion), an extensive money-laundering system has penetrated the U.S. banking system. To further complicate matters, tactical cooperation among some drug-trafficking insurgents—the narco-guerrillas of Peru and Colombia—has emerged in recent years. The governmental role of Cuba and Panama in drug trafficking has also received more attention.

The Colombian drug war intensified in August after several years during which the country's judicial, law enforcement, military and governmental administrations were gradually worn down by the twin attacks of the drug trade and guerrilla groups, such as the Colombia Revolutionary Armed Forces and the April 19 Movement. What led to governmental action was the murder of presidential candidate Luis Carlos Galán. Through terrorist attacks the drug lords have tried to force the government of President Virgilio Barco to retreat from the state-of-siege measures taken in August and a halt in extradi-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tions of drug suspects (the so-called extraditables) to the United States—a fate apparently worse than death in Colombia. As the country gets closer to elections in mid-1990 the drug war is likely to become an issue of greater debate.

In prosecuting its war Colombia received $65 million in U.S. military support, but in September President Barco came to Washington asking for more assistance and economic relief. The U.S. anti-drug strategy has earmarked about $260 million for the Andean countries in FY1990. Colombia may need more than money, however, because the war is being fought with governmental agencies reportedly penetrated at all levels by drug informants. In any event, the immediate impact has been to disrupt the drug trade and to force some of it to relocate in more isolated areas of Brazil, Peru and Colombia itself.

In Peru, despite President Alan Garcia's almost perfect economic mismanagement, the terror of guerrilla groups like the Shining Path and the Revolutionary Tupac Amaru Movement and the impact of cocaine traffickers, the country was inching its way toward elections in 1990 in which well-known author Mario Vargas Llosa is favored to win. Violence did not prevent a respectable turnout for mayoral elections in November. In the interim, the United States remains involved in a low-grade war against cocaine growers and has established in the highlands of Peru the largest and most expensive field installation in the regional drug war. Over the next five years the Andean countries have been tentatively allocated close to $2 billion by the U.S. anti-drug plan.

Elsewhere, improved U.S. cooperation with Mexico and the Caribbean still leave uncertain the degree of regional commitment to stopping drug activities. Mexico, for example, took exception in November to the establishment in El Paso of a military coordinating task force for drug interdiction efforts along the U.S.-Mexican border. The United States has had difficulty convincing Latin governments to overcome age-old principles, such as noninterference, that prevent active anti-drug regional cooperation. When the United States went to the Organization of American States (OAS) to promote regional action against Noriega in part because of his drug connections, the response was revealingly weak. Seven Latin American governments did hold a drug summit of sorts in southern Peru in mid-October and, simultaneously, the White House accepted an invitation to join Latin leaders in February 1990 to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

discuss measures to combat the drug problem. As a show of solidarity and courage, President George Bush seems determined to attend such a meeting in Colombia despite obvious security concerns and policy implications—a meeting whose character is now additionally colored by the U.S. military operation in Panama.

As the anti-drug campaign has expanded, involvement of U.S. military forces has been a subject of debate both in this country and in the region. The ultimate success of the Colombian or Peruvian army efforts remains in doubt. U.S.-civilian law enforcement agencies (particularly the Drug Enforcement Agency) have also operated for some time in almost military-like specialized operations. What is not fully appreciated is the degree to which policy changes in 1988 and 1989 have thrust the U.S. Defense Department more directly into supporting the Latin American drug war. The Pentagon became the lead U.S. agency for border detection and monitoring of drug traffic, much of it from Latin America and the Caribbean; the Defense Department was tasked with developing an effective communications and technical intelligence network; and it also enhanced the role of the National Guard forces (already active in support of law enforcement agencies along the Mexican border and in Florida). When operating outside American borders, U.S. military forces have been given authority to arrest drug traffickers. Three military coordinating operations are now in place facing southern border areas: Joint Task Force-4 in Key West; JTF-5 south of Long Beach; and JTF-6 in El Paso. Four military commands have acquired a more visible drug policy emphasis, including the U.S. Southern Command based in Panama.

III

The second U.S. policy issue is the debt problem. The launching of the Brady Plan marked a significant shift in Washington's attitude, from deferral to reduction of Third World debt. Also significant was the fact that most major Latin American governments finally, albeit reluctantly, came to the conclusion that their debt was only part of a larger economic management challenge that demanded dramatic restructuring.

Much of the financial support that has been provided to Latin America in recent years has responded to crisis circumstances rather than economic performance. The consequences

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

have been staggering. Compared to the 1970s, only sub-Saharan Africa has seen its gross domestic product decline lower in the 1980s. In 1988 less than $1 billion in net new capital flowed to Latin America. Although trade has increased, particularly for the region's major economies, overall economic activity remained sluggish in 1989—high interest rates, inflation and fiscal deficits remain as major interrelated problems. Latin America's foreign debt stands at a little over $400 billion (in addition to a growing internal debt, $50 billion in the case of Mexico), yet Latin Americans themselves have reportedly invested about $325 billion in the United States alone.

The "debt crisis" is no longer a crisis for all parties involved. The overall exposure rate of U.S. financial institutions has declined: Bank reserves against default have been increased, the flow of new credit is down dramatically, various instruments for debt conversion have appeared on the scene and, perhaps most important, the political mood in the United States surrounding the debt issue has changed.

The region itself, however, still suffers from years of economic mismanagement, and there is now evidence of a sea change in governmental and popular attitudes. Chile may be the most positive example and Mexico the best-known. In recent years Chile has diversified its exports (and export partners), maintained lower inflation rates and pursued debt reduction. For its part Mexico has confounded veteran Mexico watchers (and some "Mexico bashers") accustomed to seeing a country on the brink of collapse. That pleasant surprise is based on 12 months of nonstop activity: liberalized tariffs, fewer investment restrictions, privatization efforts, loosened regulations on competition (in the trucking industry, for example), and a few well-placed punches against entrenched labor and business interests. Mexico participates in the General Agreement on Tariffs and Trade, and works with the United States under the U.S.-Mexico Trade and Investment Framework Understanding.

Mexico's economic improvement was accomplished with a preemptive policy interest in Washington. Inching its way up in the consciousness of U.S. policymakers throughout the decade, Mexico was moved higher up by a new administration with a strong Texas flavor. The result was a flurry of activity beginning with the November 1988 meeting in Houston between presidents-elect George Bush and Carlos Salinas de

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Gortari, and followed by the meeting of the Binational Commission in August (which brought the bulk of the U.S. cabinet to Mexico City) and Salinas' high-profile visit to Washington in October 1989 during which new trade agreements were signed.

Operating in much less auspicious circumstances, and to the surprise of many, President Carlos Saúl Menem of Argentina has attempted to distance himself from traditional statist Peronist precepts, promising economic "surgery without anesthetic." Economic restructuring has also made a tentative reappearance in Venezuela. In February after only a few weeks in office, President Carlos Andrés Peréz faced several days of rioting linked to the implementation of new economic measures.

The road to recovery continues to confront an ever faster-ticking political time bomb. In seeking to defuse it the United States significantly amended its existing policy regarding Third World debt, turning to the set of debt-reduction measures in the Brady Plan. This approach may have generated greater expectations in the short run than it can deliver. Among the three Latin American countries that faced the test of eligibility, Chile did so with relative ease and agreement with Costa Rica was expected in 1990. Negotiations on the much larger Mexican debt ($103 billion) began to stall at the end of 1989; although Salinas' reforms appear imposing, the reality is that many U.S. and foreign commercial institutions, fearful of throwing good money after bad, are tempted to use this opportunity to bail out of the Latin market altogether.

The real problem may be elsewhere: the uncompetitive nature of the Latin market at a time when credit and investment opportunities are growing in other parts of the globe. Waiting in the wings for debt relief under the Brady Plan were Venezuela and, possibly, Uruguay and Ecuador. More problematic was the case of Argentina, where the success of economic reform plans was doubtful by the end of the year. Brazil also faced a serious challenge, particularly after its economic outlook worsened in late 1989.

IV

Democracy enjoyed a good year throughout the region. More than a dozen national elections were held during 1989, while Mexico and Venezuela entered their first year of administrations elected in late 1988. There were spectacular failures

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

only in Panama where Noriega's regime first attempted to rig elections and then annulled them.

Latin America appears to be returning to a path begun many decades ago. That encouraging trend was confirmed by several significant, though often difficult, transitions: elections in El Salvador in the spring of 1989, held in adverse political conditions; the election of free-market supporter Rafael Leonardo Callejas in Honduras; the quiet transitions in Jamaica and Belize; the first constitutional transition in more than six decades in Argentina, from Raúl Alfonsín to Carlos Menem; the transfer of power in Bolivia from Victor Paz Estenssoro to Jaime Paz Zamora; Paraguay's tentative shift in May to the liberalizing column of Latin regimes; the end of the military regime in Chile; the final step of Brazil's convoluted transition back to democracy with the election of a new president, Fernando Collor de Mello; and subdued elections in Uruguay.

Where free choice was possible, many 1989 elections hinged not so much on new initiatives as on a recognition that the incumbent regime was not performing properly. Elections in Argentina represented a rejection of Alfonsín's economic mismanagement, not approval for Menem's economic proposals. In El Salvador, Christian Democrats lost the presidency to the conservative ARENA party not only because of politics but because of the public's perception of political corruption and economic incompetence surrounding the government of outgoing President José Napoleón Duarte.

Despite (or perhaps because of) continuous political and economic calamities imposed by Latin American societies and their governments upon themselves, Latin Americans from Mexico to Chile are now engaged in exposing the sins of statism. Privatization is on the upswing and even traditionally populist governments appear more willing than before to take the political heat. Similar trends are also evident in Central America and the Caribbean. Aside from Chile's earlier steps, Mexico's recent reform plans have been the most ambitious. Next on the horizon of difficult Latin experiments in 1990 after Argentina will probably be the government of newly elected Brazilian President Collor, who faces arduous political and economic tasks.

Democracy remains a fragile commodity in Latin America. In 1989 Argentina took a stab at defusing shaky civil-military relationships, with relative success. In Chile that broad issue now faces the newly elected government of Patricio Aylwin. In

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Guatemala Vinicio Cerezo faced coup attempts and rumors throughout the year. In Colombia, Peru and El Salvador political pluralism took a severe beating at the hands of either drug dealers or guerrillas—or both. In Panama the democratic movement was bloodied and humiliated by the Noriega regime. And in Haiti and Cuba, democracy still waits to get off the ground.

Much of Latin America is entering the 1990s in a race between economic deterioration and political progress. It is doubtful that economic instruments such as the Brady Plan will pay off in the near future. Mexico is perhaps the most crucial current test, due to the relatively large size of its debt. The situation elsewhere, particularly in South America, may be more precarious. Domestic constraints will inhibit Washington from showering the region with new resources; the United States will applaud from the sidelines and continue to encourage Japan and other countries to do their part.

V

In the heat of the 1988 presidential campaign, George Bush indicated that he would not abandon the armed Nicaraguan opposition, the contras. It is also evident, however, that both he and Secretary of State James Baker had read congressional signals indicating resistance to any contra military-aid package. Some have argued since then that the message was heard too loudly rather than too clearly. The White House wisely wanted to avoid another stalemate in the U.S. debate on policy toward Nicaragua. As a result, 1989 could be described either as downtime, during which Washington caught its breath, or, alternatively, as an attempt at orderly withdrawal to the sidelines, allowing others to lead the game.

The Tesoro Beach accord of February 1989 added pressure on the new administration by setting in motion a framework that focused specifically on Nicaragua. Building on the stalled Esquipula II regional peace process, the Central American presidents agreed to a specific timetable for establishing democracy in Nicaragua: elections no later than February 25, 1990; electoral campaigning for six months beforehand; revision of Nicaragua's electoral laws to provide for free and fair elections. The agreement also seemed to foreclose the contras' political future by committing to a policy in which they would be dismantled through "demobilization, repatriation or voluntary relocation."

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The gist of the bipartisan agreement reached in Washington was that Congress would approve nonmilitary aid to the contras through the 1990 elections in Nicaragua and the Bush Administration would forgo requests for lethal aid. Suggestions were later made that the president's authority was being eroded (in the bargain any one of the four Democratic congressional committee chairmen could have halted the aid package by November 30). Furthermore, it was charged that an agreement calling for the "voluntary reintegration" or "regional relocation" of the contras was a sellout. The administration's early bargain, however, accomplished its primary goal of smoothing out relations with the Democratic leadership on Capitol Hill on this contentious issue, in the process suggesting that the administration sought a new cooperative style overall. Yet the agreement established no consensus on the fundamentals of security policy in the region. Nor did it sufficiently link delays in contra policies with a broader understanding of what might happen elsewhere—in particular, El Salvador and Guatemala.

The formal package for nonmilitary aid to the contras ($66 million, which included $49 million in direct humanitarian aid) passed through Congress in mid-April by a vote of 309 to 110 in the House and 89 to 9 in the Senate. Some Democratic critics of the administration's policy in Central America were not convinced but bowed to the notion ("a leap of faith," according to Democratic Senator Patrick Leahy of Vermont) that this might support the regional peace process. Conservative Republicans swallowed hard, though they believed that the aid package would at least keep the contras alive.

The Tesoro Beach accord and the bipartisan agreement fostered the impression that the Sandinista regime could be forced into an electoral timetable and free elections. An international apparatus of expertise on law and elections sprung up in the United States and elsewhere. Serious disagreements regarding the electoral rules surfaced, and by late summer a series of compromises had led only to a somewhat unsatisfactory operational framework for the February 1990 elections. The large voter registration turnout begun in late October delighted the Nicaraguan opposition, and public opinion polls suggested their lead over the Sandinista National Liberation Front headed by President Daniel Ortega and his vice president, Sergio Ramírez.

After considerable delays, 14 opposition parties formed the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

National Opposition Union and in September chose Violeta Chamorro and Virgilio Godoy as their standard-bearers. Chamorro provided name recognition and symbolism of the kind that elected Corazon Aquino in the Philippines. The opposition received further enhancement through the addition of previously exiled leaders such as Alfredo Cesar, who returned in June under the provisions of the Tesoro Beach accord.

To the surprise of both supporters and foes, the Nicaraguan contras did not fade away. Although there was severe infighting among the movement's political leadership, a core of field commanders around military leader Enrique Bermudez resisted disintegration and calls to disband. Attempting to put the disbandment of the contras into operation, the August Tela agreement fixed an implausible target date of December 8. In response, some contra commanders simply moved forces across the border. Washington continued to emphasize that the disbandment of the contras was a "voluntary" process (in line with the bipartisan agreement reached in Washington back in the spring). The United States still viewed a viable contra force—even behind the border in Honduras—as a useful presence to guarantee fair elections in 1990.

That environment set the stage for Ortega's announcement on November 1, 1989, ending the 19-month-old cease-fire set up as a result of the Sapoá talks in 1988. Conventional wisdom supposes that Ortega was attempting to complicate the framework of the elections to his advantage and perhaps delay them; the Sandinistas were also angered by the continuing strength of the contras and wanted to draw Washington, specifically the U.S. Congress, into a partisan fight: a debate over whether to resume contra military aid, which would have in effect cancelled the elections, or cut off all aid to the contras by November 30.

President Ortega, like everyone else, was also reading the public opinion polls indicating a likely defeat in February for the Sandinistas. Providing his security apparatus with a freer hand in case of trouble would be important. Halting the cease-fire also allowed Nicaragua to put the contra issue right back on the table as a negotiable item. Ortega and his government had good reasons to be concerned. As the electoral campaign entered its formal phase toward the end of 1989, Nicaragua faced the prospect of international scrutiny on a scale likely to cause heartburn for any Marxist-Leninist re-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

gime. But would such close attention guarantee free elections? After a late start, the United States formally put its weight in dollars behind the electoral process; because of campaign regulations only a small percentage of the $9-million U.S. aid package is likely to reach the opposition.

The discovery in El Salvador in late November of two Nicaraguan planes being used to transport weapons to the Salvadoran guerrillas—the Farabundo Martí National Liberation Front—should have ended any doubts over the tactical link between the FMLN and Managua. The evidence was overwhelming; indeed, a key reason why the FMLN has survived so long is because of its secure base of support in Nicaragua. Coming in the middle of a major guerrilla offensive on San Salvador lasting several weeks, the aircraft incident led the government of Alfredo Cristiani to suspend relations with Nicaragua. It raised doubts regarding Sandinista compliance with the February 1990 elections and appeared to lead to a complete impasse in the region's convoluted peace process. But in an astounding and almost implausible appeal, the five Central American presidents met in Costa Rica in mid-December and issued a new challenge: demobilization of guerrillas in El Salvador and disbandment of the contras in Nicaragua.

Occurring within a few weeks of the Malta superpower summit, those Central American developments were also publicly linked to Cuba. The September meeting in Jackson Hole, Wyoming, between Secretary Baker and Foreign Minister Eduard Shevardnadze had produced vague Soviet commitments to hold back Moscow's Latin allies. No one seemed really convinced by Soviet proclamations; the link between Soviet resources and Cuban and Nicaraguan support of the FMLN was too obvious. The issue was again raised at Malta where Mikhail Gorbachev publicly denied direct responsibility for Castro's action. Gorbachev's vague answers received more press attention than Moscow's endorsement of the Central American peace process.

The return of El Salvador (and Panama late in the year) to the front pages was further proof that Central America would retain its full complexity in 1990. In El Salvador the gruesome killings of six Jesuit priests legitimately triggered an avalanche of public and congressional condemnation (as did the later arrest of an American social worker for allegedly stockpiling rebel arms), although the assassination of political figures or

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

their families had generated little interest (or, in previous years, the liquidation of Christian Democratic mayors). Frustrated by its failure early in 1989 to engage the government in a negotiated settlement, the FMLN also fell short on the military front late in the year. Its major military offensive at least brought the rebels new attention at a time when their reservoir of political capital had declined dramatically. Toward the end of 1989 Congress passed an $85-million aid package to El Salvador but was likely to revisit that issue early in 1990.

VI

Washington spent the bulk of the year finding creative ways to resist involvement in Panama—until December 20 when it deployed U.S. military troops to overthrow General Noriega. Before then, the United States had done little to avert the stolen May elections, taking a circuitous route in October, during an attempted coup, to appear both involved and unattached.

Catapulted to crisis level in 1987, the final disposition of Washington's war with Noriega was the product of extraordinary frustrations from the president on down. The U.S. government had for some time turned a blind eye on the Panamanian Defense Forces' manipulation of the nation's politics and economics. Noriega's career in the PDF intelligence operation made him a troublesome asset. Through sheer inattention the Reagan Administration never fully conceptualized the Panama problem, leaving the initiative to a somewhat unholy alliance of congressional liberals and conservatives for waging a public relations war on the cheap. With some U.S. encouragement and a false confidence in its capabilities, Panama's civilian opposition (ultimately, the Civic Crusade) weighed in but was quickly bloodied into submission by Noriega's henchmen.

The Bush Administration's overall regional strategy at first relegated Panama to the category of an intractable problem. Washington appears to have done little to shape the May 7 elections and, along with the rest of the international community, looked on with dismay as the elections were rigged and then halted by the Noriega regime. An extensive cadre of international observers gave opposition candidate Guillermo Endara a three-to-one vote ratio, a total that brought him and his two running mates (Ricardo Arias Calderón and Guillermo Ford) a public beating at the hands of Noriega's goon squads—

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

a powerful scene that was televised and shocked the American public.

The eruption of violence triggered several U.S. responses. Aside from diplomatic condemnation, 2,000 additional U.S. combat troops were quickly dispatched to Panama. Simultaneously, the United States further personalized the conflict by publicly calling on the PDF to overthrow Noriega. Washington also launched a multilateral offensive through the OAS that would last through the end of the summer, though it would come to naught. Along with some back-channel communications exploring the possibility of a personal deal with Noriega, those actions in effect defined the U.S. posture until the end of the year.

American pressure did not prevent Noriega from pushing through in early September a successor to the defunct regime of Eric Arturo Delvalle (which in the eyes of Washington had remained the legal government of Panama—despite its ouster by Noriega in February 1988). The coup attempt by PDF officers on October 3 brought into the open both Washington's hand in plots against Noriega as well as the division within the PDF itself. The failed coup, however, was a public relations disaster for the White House, not so much because of its ultimate decision not to support the coup but rather because of perceived indecision among the most senior circles of the American foreign and defense policy apparatus. That indecision profoundly frustrated the president and embarrassed the White House; it may have shaped actions later in the year—especially the U.S. military operation in Panama.

In any case, the United States and Noriega were on a collision course. Washington had hoped that Noriega would provide a pretext for a more surgical strike. Following the failed October coup, Noriega was a man on the run. Perhaps in compensation he had himself named head of the Panamanian government and announced a "state of war" with the United States. It did not take long for incidents to develop with U.S. personnel, which in the end triggered the U.S. military action against both Noriega and the PDF.

Launched in the early hours of December 20, Operation Just Cause was the largest involvement of U.S. forces since the Vietnam War. With a complement of 24,000 men (later reinforced with another 2,000), the United States pursued multi-point attacks on the PDF. Although that large military operation encountered greater resistance than anticipated, its

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

only significant setback was the failure to capture Noriega. With his "Dignity Battalions," and thugs of all sorts living their last moments, Noriega turned himself in on Christmas Eve for diplomatic protection at the Vatican's local offices. After over a week of tangled political and diplomatic negotiations, the fallen Panamanian leader was finally taken into U.S. custody on January 3.

American objectives in the invasion of Panama were simple: to remove Noriega from power, to restore democracy and to support U.S. interests in the region as a whole. Addressing concerns over the legal and economic standing of a successor regime, Endara was sworn in within minutes of the U.S. invasion, and U.S. economic sanctions were quickly lifted. The international reaction was lukewarm to critical; the OAS censured the U.S. use of force and in the U.N. Security Council the United States had to veto a resolution critical of its action. Of greater significance were indications that the already delicate sensitivity toward effective multilateral anti-narcotics efforts could be affected by this latest display of U.S. force.

How the U.S. invasion of Panama would shape the planned anti-drug summit in Colombia was uncertain. Although the bulk of U.S. public opinion rallied behind the president, critical voices appeared fairly soon among some liberal congressional and academic circles. The fact that the U.S. invasion received such widespread domestic support was likely to be analyzed carefully in Managua and Havana. Although Moscow condemned the action, the events in Panama occurred simultaneously with the violent end of another communist regime in Romania, further isolating the U.S.S.R.'s troublesome allies in the Caribbean basin. In the final analysis, however, the Panama operation was the latest phase of a complex U.S.-Panama relationship with uncertain implications in the 1990s. Likewise, in its second year, the Bush Administration faces a "triple decker" policy sandwich in Central America (Panama, Nicaragua and El Salvador) rather than the phasing-out procedure that Washington had hoped for early last year.

VII

Gorbachev's April visit to Cuba had the markings of an unwelcomed call on an aging revolutionary profoundly suspicious of the Soviet leader's intentions. Gorbachev's speech to the Cuban national assembly included a warning that a changing world requires new policies and approaches. The Soviet

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

leader appeared to suggest an end to the policy of revolutionary internationalism so central to the Cuban regime's legitimacy. With Soviet contributions running at $5 billion a year and with the Cuban economy in a tailspin, there are increasing public indications that the Soviet Union would like to curtail that hemorrhage of resources. Given the prospects of closer superpower relations, Havana has reason to be worried.

Castro's problems have taken their toll. His speech on July 26 was long and almost incoherent. Anti-American rhetoric reached a vitriolic state, but Castro reserved some harsh comments for what he bitterly viewed as Gorbachev's gradual sellout of Marxism-Leninism. Objectively, Castro realizes that any deviation on his part would likely trigger a swift end to his regime and by implication a less than glorious conclusion to his contribution to history. Gorbachev's record in Eastern Europe has made Castro apprehensive about possible developments in the aftermath of superpower agreements.

Yet Castro holds to the position of faithful and trustworthy strategic ally of the Soviet Union; for its part Moscow has so far shown little outward indication of wanting to modify the fundamental nature of its ties with Cuba. The results of the Malta summit appeared to confirm that conclusion, though it could change. In the meantime, Moscow continued to supply Havana with sophisticated weapons (most recently sustaining an upgrade of air capabilities to MiG-29 from MiG-23 jet fighter aircraft).

In that uncertain context, the affair of General Arnoldo Ochoa sprung up in the early summer when the popular Cuban was charged with drug smuggling. Speculation regarding the reasons for Ochoa's downfall will continue for some time, but most observers conclude that the heart of the matter was political, that the narcotics charges were only a convenient pretext. The grandiose scale of the investigation suggests a much broader purpose. Ochoa and three other officers were executed, while 28 officials either received prison sentences, were fired or forced to retire from the military or, in one case, committed suicide. Among those implicated was the minister of the interior, in effect the third-ranking member of the Cuban hierarchy with authority over internal security.

There are indications that Ochoa and his associates (many from his overseas military experiences) were toying with ways to test Castro's leadership and that they might have been encouraged through Soviet contacts. At a minimum that

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

would have been a threat to traditional Soviet military channels through Fidel's brother, Defense Minister Raúl Castro. Significantly, most purged officials were replaced with individuals linked to him. The Cuban drug link had been highlighted earlier in 1989 with the guilty pleas in U.S. courts of cocaine smugglers operating through a Cuban air force base. The case implicated the Castro brothers. Simultaneously, the investigation of General Noriega's drug operations hinted at verifiable Cuban connections.

Havana is on the defensive; Cuban appeals for cooperation on anti-drug policy faded away. The United States has remained vocal in protesting Cuban human rights abuses, although this has not prevented Castro from locking up Cuba's miniscule human rights movement. To forestall complete isolation, Cuba may make a run at OAS membership. Nevertheless, with rapid changes in the Soviet bloc, Castro is fast becoming a flamboyant though dangerous relic, perhaps opening new opportunities for U.S. policy in the 1990s.

VIII

Based on centuries of experience, the unique character of hemispheric relationships is not likely to fade any time soon. If nothing else the strong Latin American component in U.S. society and the growing Americanization in the rest of the hemisphere are powerful ingredients that are likely to expand rather than decline in years to come. For all its current problems, Latin America will remain a source of U.S. economic interest as it has for more than a century. The region's political and security proclivities and manifold development problems will ensure the existence of a unique relationship.

If closer U.S.-Soviet relations lead to a global restructuring, it will trigger a reorientation of U.S. interests in a unified Europe, in Japan and the Pacific basin, as well as in Latin America. For the United States a new inter-American state system predicated on the concept of a two- or three-tiered "American Community" might emerge. Such a community would displace the notion of a single-hemisphere partnership and replace it with a series of subregional compacts adapting to varying hemispheric situations.

What would such a new global equilibrium of distinct regions hold for U.S.-Latin American relations? The fact that Latin America continues to straddle the First and Third Worlds will not help its competitive cause. But the hemi-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

sphere's capacity to address its problems is already being enhanced—and made more complex—by the increasing involvement of our European and Pacific basin allies in Latin affairs. Canada's entry into the OAS in late 1989 has also added a new dimension to hemispheric diplomacy, and perhaps a boost to varying levels of regional cooperation. As Latin American decision-makers have slowly come to recognize, continued economic growth and support for political pluralism cannot be assured without full hemispheric participation in global affairs. Among several upcoming tests will be Latin America's adaptability to the unified European market after 1992.

The management of hemispheric affairs has already become a more collective process. The major frustration may be a lack of effective institutional vehicles rather than any deep regional mistrust—which the declining effectiveness of the OAS appears to suggest. In any event, the interaction of extra-hemispheric actors with Latin America is already being accomplished in the context of broader international economic cooperation and some diplomatic institutionalization. In contrast, communist penetration—despite Gorbachev's new thinking—has remained troublesome.

Those dynamics will eventually lead to some new concepts of U.S. hemispheric thinking. Among several possible configurations, Washington is likely to draw the most interest from those countries that are closest to it geographically, economically and socially. In its broadest framework, that scenario could evolve into a U.S.-Canada-Mexico North American free trade area with its attendant political implications.

A reorientation of economic and socio-political ties on the North American continent, however, would challenge the hemisphere. The manner in which Central America and the Caribbean look northward may depend in part on the perceived success of existing frameworks, such as the Caribbean Basin Initiative for the United States, the Lomé Convention for Europe, or Japanese and Asian economic assistance to the Third World. Clearly there is built-in tension for Washington: Will involvement by other countries contribute to growth and stability in Mexico and the Caribbean basin or will it simply diminish U.S. economic opportunities?

A new North American community would probably trigger complementary approaches. A two-tiered structure is evident in U.S. policymaking and is already in place regarding Mexico;

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

it could apply to Brazil as well, particularly if the latter took note of that interest. Such distinct bilateral relationships would assure continued U.S. involvement in the region by providing strong strategic policy anchors. The rest of U.S.-Latin American relations may evolve primarily along multilateral lines, and force more attention on common agendas (drugs, the environment, technology) and effective regional and subregional institutions that address those issues. But without U.S. leadership and vision, hemispheric cooperation could disintegrate, with results much less favorable to the United States.

George Bush began his term during the 100th anniversary of the modern inter-American system and at the beginning of a third century of U.S. relations with Latin America and the Caribbean. His fourth year in office will coincide with the 500th anniversary of the discovery of the Americas. Those events will inspire ceremonies and rhetoric and perhaps little else. Alternatively, they could be the occasion for a serious and welcome reassessment of hemispheric policy as we proceed toward the 21st century.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Bruce W. Nelan

CHANGES IN SOUTH AFRICA

In his customary autocratic style, P. W. Botha, the head of South Africa's government for ten tumultuous years, insisted on presiding over the end of his own era. He refused to allow his successor, F. W. de Klerk, to arrange a dignified transition and, after a dispute over prerogatives, departed the political stage trailing bitter complaints of mistreatment. The manner of Botha's departure served to underscore the heavy-handed rigidity of his administration and to increase the sense of relief and hope that greeted South Africa's new president.

De Klerk, 53 years old, a scion of the flinty voortrekker country of northern Transvaal province, is the son, grandson and great-grandson of leading National Party politicians. Prime Minister J. G. Strydom was his uncle. He grew up immersed in the traditions of Afrikaner cultural life and the "Christian National Education" that its schools and organizations used to instill Afrikaner values. He joined the youth wing of the NP even before he enrolled at Potchefstroom University for Christian Higher Education, where he earned a law degree in 1958. After practicing law in Vereeniging, he entered parliament in 1972 and has held cabinet posts for the last ten years.

There was nothing in de Klerk's background to indicate that he would be any less conservative than Botha. The great difference between the two men is in style: De Klerk is always described by both associates and opponents as a reasonable man, a problem-solver, someone who believes in consensus-building. While terrible-tempered Botha spent his holidays in the bush, blasting at game with a heavy rifle, the soft-spoken, courteous de Klerk is a golfer. But because of Botha, who warned his followers first in 1979 that they must "adapt or die," the slogan of reform, the idea of changing national institutions and the suggestion that power should be shared with the country's black majority had become mainstream thinking in the NP after 40 years in office.

Bruce W. Nelan is a Senior Writer at *Time* magazine. He was the magazine's Bureau Chief in Johannesburg from May 1985 until June 1989.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Several factors coincided during 1989 to produce sentiment both inside South Africa and abroad that there should be an interval in which to "give de Klerk a chance." One such factor was his reputation for pragmatism and intelligence, combined with his more open form of leadership in contrast to the years in which Botha had simply dictated decisions to his subordinates. De Klerk's rhetoric, too, was replete with references to reconciliation, social justice and an end to discrimination. There were indications that he would rely more on traditional forms of politics and diplomacy than on the police and army networks of which Botha had been both master and slave.

South Africa as a nation also appeared less arrogant and more amenable to influence from outside the narrow circles of Afrikanerdom. With the United States brokering the settlement, South African troops had withdrawn from Angola, Cuban armed forces were pulling out in stages, and the process leading to independence for Namibia was well advanced under U.N. supervision. Western and Commonwealth capitals put consideration of additional economic sanctions in abeyance.

In this new setting, South Africa's black majority also had to reformulate its strategy. Harsh action by the security police during three years of the state of emergency had all but neutralized the principal antiapartheid organizations inside the country. The forces in exile of the banned African National Congress had never been able to mount a significant guerrilla campaign in South Africa, and now the Soviet Union, long the ANC's principal weapons supplier, was discounting any prospect of toppling the South African government by military force. With de Klerk and the NP putting forward more and more detailed proposals for a new "dispensation" and calling for a national conference to prepare a new constitution, the liberation organizations were forced to respond. They have set out a revised list of preconditions for talks, but as the government begins to deal, they must now seriously review the question of whether they will sit down to negotiate anything less than a transfer of power from the white minority to the black majority.

II

Most observers dismissed Botha's slow and narrow reform program as a series of cosmetic changes, implying that the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

measures only made the face of apartheid more presentable. That is true in part, but some of his reforms ratified major and irreversible transformations in the society. As "grand apartheid," the vision of racial partition designed by Hendrik Verwoerd, proved unworkable, and as "petty apartheid" faded away on city streets and beaches, it became clear that apartheid itself was no longer the issue between the black majority and the white minority. The issue now was political power.

Once the NP decided that black South Africans had to be granted a role in national politics (which is what Botha's disastrous "Rubicon" speech of August 1985 was meant to convey), it began searching for a system that would give some power to blacks without taking power away from whites. Under the direction of Botha and his chief theorist, Minister of Constitutional Development Chris Heunis, the government came up with an outline for an intricate web of race-based institutions. Blacks in the cities, in the countryside and in tribal homelands who had not accepted "independence" would be allowed to vote for national representatives. Each racial group would have a legislative body, probably indirectly elected, and each would pass laws affecting that group's "own affairs." National or "general affairs" would be dealt with by a consensus of all houses.

This ponderous scheme was not even within negotiating range of the domestic opposition's main demand: one-person, one-vote majority rule, the rallying cry of the United Democratic Front (UDF) and the ANC. Nor did Botha and Heunis find any takers even among the so-called moderate black leadership. Zulu Chief Mangosuthu Buthelezi, one of the leaders the government most hoped to involve in its proposal, joined the more militant groups in setting forth a list of preconditions that had to be met before talks could even begin. At the head of the list was the release of nationalist hero Nelson Mandela and other imprisoned political leaders, the legalization of the ANC and all banned organizations and an end to the state of emergency so that normal political activities could take place. This list has become the starting point for all black activists. The result was stalemate: The opposition could not overthrow the government because the security forces were too strong, and the government could not put in place a new constitutional system in the face of opposition from the majority of its citizens.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Reactivating the reform program was probably not uppermost in de Klerk's mind when Botha suffered a stroke on January 18, 1989, or when Botha startled the country on February 2 by resigning as leader of the NP. First de Klerk had to overcome a strong challenge from the Botha-backed candidate for party leader, Finance Minister Barend du Plessis. Then he had to deal with the frictions and confusions generated by Botha's determination to remain state president for as long as possible. De Klerk must have concluded, on reflection, that he would be able to do a better job with reform than Botha. With his well-honed public relations skills, he could establish some credit for even trying for a settlement, not least on the books of foreign governments still contemplating sanctions.

In his first parliamentary speech as party leader, de Klerk pledged to strive for a country "free of negative discrimination on the basis of race" and to provide for "a just and equitable dispensation" for all South Africans irrespective of race. He called for an *indaba*, a national conference, to negotiate its terms. By referring to "negative" discrimination he signaled his belief in some positive form of discrimination, and he also offered a spirited defense of "group"—read racial—rights. "There is no such thing as a nonracial society in a multiracial country," he said. Even so, the emotional fatigue of the Botha years had been so depressing that de Klerk's upbeat approach was welcomed by most factions.

Botha, however, was apparently angered by de Klerk's quick assumption of leadership and the favorable responses he received. The 73-year-old Botha appeared on national television to announce that he would return from sick leave and resume the duties of the presidency on March 15. De Klerk, Botha said, was "being misused by some people." Even worse in the eyes of NP leaders who favored early elections to take advantage of disarray among the opposition parties, he declared that there would be no election in 1989. He clearly hoped to remain in power indefinitely. The explanation for Botha's behavior, observed the Johannesburg *Sunday Times*, seemed to lie "more in the realm of geriatric psychology than in political analysis."

Only after repeated confrontations with a party united against him did Botha grudgingly announce in parliament on April 6 that, after all, there would be an election before the end of the year and that he would then retire.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

III

The emergence of de Klerk and his new emphasis on negotiations with the black majority found the antiapartheid movement off balance and disorganized. The government had banned more than 30 organizations from all activity and ordered the largest black labor federation, the Congress of South African Trade Unions, to take no part in political action. It had detained hundreds of antiapartheid leaders without charge and when it released them, the government bound those leaders with restrictions that kept them from attending meetings, speaking in public or even working at their regular jobs. Protests and demonstrations were banned and street riots had ended almost as soon as police and troops moved massively into the black townships in the days following the 1986 emergency decree.

The movement was further divided and distracted by a wrenching controversy over Nelson Mandela's wife, Winnie, and the alleged criminal behavior of her squad of about 30 young bodyguards. In February 1989 the UDF and the Congress of South African Trade Unions formally expressed their "outrage," forced Winnie Mandela out of the antiapartheid movement and instructed activists to distance themselves from her.

The most public manifestation of black activism in the first half of 1989 was the bloody war in Natal province, where fighting between supporters of the Zulu-based Inkatha movement and the UDF had claimed more than 1,400 lives since 1984. From his bungalow at the Victor Verster Prison outside Paarl, Nelson Mandela was moved to write to Chief Buthelezi, the president of Inkatha, urging that they "join forces" to end the "deplorable conflicts" in Natal. Although most leaders of the UDF and the ANC regard Buthelezi as an enemy because he serves as the chief minister of KwaZulu, an apartheid homeland, Mandela has always recalled his cooperation with Buthelezi in the early days of the ANC Youth League and expressed his hope that it could be reestablished after his release. "At no other time in our history has it become so crucial for our people to speak with one voice and to pool their efforts," Mandela wrote.

ANC leaders outside the country also felt that the liberation movement was at low ebb. The December 1988 settlement that brought independence to Namibia had forced the ANC to close

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

its bases in Angola and dispatch several thousand fighters to Tanzania, Ethiopia and other northern countries. This left the ANC without operational bases for its guerrillas in any country bordering on South Africa or Namibia. There were splits inside the ANC itself over the issue of the relative weight of violence and negotiation in its strategy.

That disagreement over the role of force and talks intensified during the year after Oliver Tambo, the ANC's 71-year-old president, suffered a debilitating stroke and potential rivals for the leadership began seeking support. The organization's response to its problems was a brave effort to highlight signs of progress. De Klerk's hints of flexibility, said the ANC leadership, showed that he was worried and wavering. More pressure, not compromise, was needed, and the organization would not only not renounce violence but would step up its guerrilla campaign inside South Africa. The exiled leaders admitted, however, that they had never been satisfied with the efforts of their military wing, *Umkhonto we Sizwe* (Spear of the Nation), which has been operating sporadically and ineffectively since 1961.

To the mass antiapartheid organizations inside South Africa, ANC leaders sent a call to mount a defiance campaign: refuse to accept the banning of antiapartheid groups, ignore the restrictions placed on their activities by the police, reject government orders and hold meetings and demonstrations. Thabo Mbeki, director of international affairs for the congress, said the banned UDF should go back into action and direct the defiance campaign. (The UDF reemerged in that role a few weeks later under a new title, the Mass Democratic Movement.) The congress also reissued its list of preconditions for negotiations with Pretoria: the release of all political prisoners, the legalization of all banned organizations, the return home of political exiles, the end of the state of emergency, the repeal of apartheid laws and the removal of government troops from black townships. Those were the same demands the ANC and UDF had presented to Botha whenever he proposed talks on a new constitution.

IV

NP election campaign slogans have usually centered on *swart gevaar*, the black peril, and *kragdadigheid*, toughness, the need for a firm hand and tight security to protect white citizens. That element of scare tactics was not absent in 1989 either, but

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

de Klerk chose a new emphasis, painting the NP as the moderate, middle-of-the-road party. Only the NP stands for participation by everyone and domination by no one, de Klerk argued. Launching his election drive in May, de Klerk spelled that out in some detail, although he used the arcane, coded language that NP politicians have developed to describe minor concessions in sweeping terms.

The NP favored power-sharing, he said, and that meant that on issues of special importance to one racial group, each group would decide its "own affairs" on the basis of "self-government." Issues of common interest would be decided together on the basis of consensus; if consensus cannot be achieved, "a reliable referee" should be provided by some kind of constitutional court. (A similar provision exists in the present constitution to deal with those measures that the three houses of parliament cannot agree upon; the referee is the President's Council, which is dominated by the NP.) All "population groups" should have full participation and prosperity, de Klerk added, "but not at the expense of the whites."

The official NP election manifesto at the end of June 1989 offered more specifics. It outlined a five-year "action plan" that committed the government to convening a national constitutional convention at which the black majority would be represented, but vowed that no racial group would be permitted to dominate either the convention or the system that might result from it. Groups, like individuals, would have guaranteed rights. The manifesto hinted that the list of protected racial groups might include various black tribes, thus making them parts of a nation without a majority—a description of South Africa that the NP has advanced for many years. It also predicted changes in the racial-classification laws to provide for an "open group" of people who do not want to be categorized under the present system of racial groups and who might wish to live in desegregated "open areas." A party spokesman indicated how complicated the new political structures might be when he suggested that a plan for a multiracial legislative body could include representatives of 24 groups: blacks, whites, mixed-race "coloreds," Asians, ten major black tribes, nine rural-development regions and one "open group."

Almost buried in the verbiage was a slight change in the description of who might take part in negotiations for a new "dispensation." The government had always insisted that the ANC was a terrorist organization that would not be admitted to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the conference room until it formally renounced the use of violence for all time. The June manifesto began to revise that formulation. It said that those "who have a commitment to peace" could take part, and an NP spokesman emphasized the difference by saying the government was "almost moving away from the meaningless requirement of the renunciation of violence."

This formula on the issue of violence has been a perennial problem for Pretoria. For as long as the government does not want to talk with the ANC, it provides a tool with which to fend off the exiles. But the requirement had also been applied to Nelson Mandela; Botha had regularly demanded that Mandela formally renounce violence in order to be released. Then two years ago Botha began to hedge, saying there were other considerations to take into account, such as Mandela's age and the many years he had spent in prison. While Mandela holds no official position in the ANC, he is generally considered its symbolic leader and commands the respect of more blacks in South Africa than any other man.

One of Pretoria's strategic goals has been to arrange a split between the ANC in exile, which the government has consistently described as terrorist and communist, and the old ANC leaders and their supporters at home, whom it sees as "nationalist" and more flexible. Mandela himself has frequently told visitors that he understands the need to take white fears of domination into account when negotiating a new political system. He has said that black negotiators would have to have patience and that the first objective was to get the negotiating process going. Mandela has also maintained his determination to rebuild cooperation with Buthelezi. The men at the top of the South African government are convinced that "radicals" are only a minority among the black population, that most blacks are "moderates" and that it is possible to exclude radicals and negotiate with moderates. It would suit Pretoria very well if Mandela were to emerge from prison and bring a unified black delegation with limited ambitions to the conference table, and the Botha government had tried seriously to achieve such an outcome.

Giving that wheel a final dramatic spin, Botha invited Mandela to meet him face-to-face for the first time in his office in Cape Town, and Mandela agreed. Mandela's motivation seems to have been his hope to get serious negotiations started. The two men spent 45 minutes together on July 5, sipping tea

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and talking. Officially, it was not a negotiation, but in fact it was the result of months of discussion between Mandela and four cabinet ministers. The two old foes confirmed "their support for peaceful development in South Africa." By agreeing to that, Mandela qualified as a person with "a commitment to peace" and thus for admission to the government's proposed negotiation process.

In spite of the long lead time, Mandela had not informed anyone of his intention to meet Botha, and black activists were shocked and confused when they learned of it. In their view, no dealings with the government could be accepted until their preconditions had been met, including the release of Mandela himself. Black leaders quickly denounced the meeting as a stunt of no political importance staged solely by Botha. Joe Modise, commander of *Umkhonto we Sizwe*, insisted that "only the armed struggle will bring the Boers to negotiations." Mandela responded strongly. He released a statement from prison stressing his conviction that dialogue between the South African government and the antiapartheid movement, especially the ANC, "is the only way of ending violence and bringing peace." His intention, he said, was to help create the climate that would bring about negotiations. Activists in South Africa backtracked and welcomed Mandela's contribution to improving the political climate. Government spokesmen and Afrikaans-language newspapers referred to Mandela now in the most respectful terms, completing the transformation of his public image from terrorist to diplomat.

While the Mandela-Botha meeting stirred confusion, it also clarified two key points: Mandela will be released sooner rather than later, and the ANC in some form will be included in future negotiations. The top echelon of the ANC had been aware that the South African government was moving in this direction and had circulated a four-page discussion paper among its followers. The paper warned that the liberation movement "cannot afford to trail behind the regime and . . . fall into a defensive posture." It pointed out signs that the government might try to set up purely domestic negotiations by releasing Mandela and other imprisoned ANC leaders. The paper said it was time for the antiapartheid movement to consider such questions as how to organize for talks, who would participate and how to end the use of violence on both sides. It also introduced the idea of negotiating on the formation of a transitional government that would supervise free

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

elections. After years of reciting preconditions, this was the most concrete step the liberation organization had ever taken toward formulating tactics for negotiation.

De Klerk quickly followed up with another attempt to seize the high ground as peacemaker and show the ANC to be the spoiler. If the exile organization would only follow the lead of Mandela and declare itself committed to peaceful solutions, he said, then it could enter the dialogue and take part in negotiations. If it did not, however, the government would continue to rule out talks with those involved in "violence and terrorism." The ANC took this long-distance bargaining process another step with a longer and more detailed document setting forth its plan for a political settlement in South Africa. The organization said it would meet directly with government representatives to set up a transitional government to supervise elections on a one-person, one-vote basis. This meeting would have to begin before a cease-fire could be called, but the meeting could not begin until Pretoria had met the list of ANC preconditions. Only those actions, said the ANC with a phrase borrowed from Mandela, would foster a "climate for negotiations."

As the parliamentary election battle entered its closing month, the defiance campaign the ANC had recommended in Lusaka, Zambia, in May went into operation in South Africa. The banned UDF took a new *nom de guerre*, the Mass Democratic Movement, and returned to the front lines. With support from black church and labor leaders, it declared that it would no longer obey restrictive orders and would stage nonviolent protests in segregated facilities throughout the country. Although defiance leaders emphasized the nonviolent nature of their protests, rioting broke out in townships outside Cape Town and Johannesburg. In the days just before the election, at least 23 people were killed in the streets, more than 2,000 arrested and 234 detained.

Shortly before the elections, Botha and de Klerk had a confrontation over Botha's refusal to give presidential permission for a de Klerk trip to Zaïre and Zambia; Botha refused on the grounds that Zambian President Kenneth Kaunda (with whom Botha himself had held talks) was providing aid and comfort to the ANC. Neither de Klerk nor the rest of the cabinet was willing to accept this final humiliation, so Botha abruptly appeared on television to announce his resignation in a petulant, rambling monologue. De Klerk was sworn in as

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

acting president on August 15 and pledged that he would follow his party's five-year plan for political reform and would consider the release of Mandela after the election. "I commit myself," he said, "to making a breakthrough with negotiation."

On election day, September 6, the NP retained an absolute majority in the House of Assembly, the white chamber of parliament, though it lost 30 seats, reducing its representation to 93 of the 166 elected members. Both the Conservative Party (CP) on the right of the government and the Democratic Party on the left gained, but less than they had predicted. De Klerk insisted that the setback would not keep him from fulfilling his five-year plan. Adding the Democrats' 21 percent of the vote to the Nationalists' 48 percent, de Klerk claimed a "resounding" mandate for reform. "It's a clear majority for the parties that stand for the granting of political rights to all South Africans," he said. In actuality the Democrats were the only party to call for complete repeal of apartheid legislation and they finished third. With 48 percent of the electorate for the NP and 31 percent for the CP, 79 percent of the white voters had in fact supported some form of apartheid. There was also an ethnic move to the right; the Nationalists won the votes of half the country's English-speakers, while half of the Afrikaners bolted from the ruling party to back the reactionary CP, whose leader, Andries Treurnicht, predicted that he would head the government after the next election.

V

Election eve had seen widespread rioting in black and mixed-race townships and police killed at least 15 demonstrators. There were loud protests by leading black clergymen and white liberals. Television viewers around the world found their most vivid images of South African violence in pictures of helmeted policemen whipping fleeing demonstrators. The week after the election, the government banned the use of *sjamboks*—long, hard rubber whips—by the police. It had been received wisdom that de Klerk would not rely as heavily as Botha had on the advice of the security forces and would not use them as his principal political tool. This action was accepted as the first sign that the assumption was correct.

Removal of the *sjambok* from police arsenals was the prelude to an even more unexpected policy shift. After years in which all black political organizations and all antiapartheid protests were ruthlessly crushed by the security police, de Klerk called

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

a press conference to announce that the government had "no objection" to political protests so long as they were peaceful. Although march organizers had refused to apply for it as the law required, de Klerk gave his personal permission for a mass protest march in Cape Town on September 13 and ordered the police to stand back. "The door to a new South Africa is open," he said. "It is not necessary to batter it down." Some 20,000 people led by the Reverend Allan Boesak, Archbishop Desmond Tutu and Cape Town Mayor Gordon Oliver marched peacefully through the city center carrying ANC banners and calling for an end to white rule. It was a startling contrast to a smaller demonstration in the same city ten days earlier, which riot police had broken up with whips and water cannons. A CP spokesman called de Klerk's policy switch "a knife thrust in the back" of the security forces. Senior police officers made sure that their disapproval became known and there were reports that a split had emerged in the cabinet.

Over the next several days 20,000 protesters marched in Johannesburg and 1,000 held a rally in Pretoria, the capital of Afrikanerdom. In Johannesburg the march ended at police headquarters in John Vorster Square, where clergymen handed a petition to a police colonel. It pointed out that while whites could express their political views in elections, blacks had no means other than processions and demonstrations. Although large ANC and red communist flags were waved in front of the police building, no attempt was made to confiscate them.

Such public venting of their anger was exhilarating to activists who had been tightly restricted for years, and they followed up with a series of large and small demonstrations. But the novelty wore off quickly for the protesters, so that marches became infrequent after the first few weeks of relaxation.

De Klerk's next step was a cabinet reshuffle that dumped several Botha men but kept the key ministers of defense, internal security, foreign affairs and finance in their posts. The most significant appointment was that of Gerrit Viljoen, who replaced the retired Heunis as minister of constitutional development, that is, chief negotiator with the black majority. Viljoen, a former chairman of the secret Afrikaner Broederbond, is considered one of the most reform-minded men at the top of the NP. He is a former professor and an intellectual, and has most recently been in charge of the upgrading of the black

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

educational system. His return to the political reform field was an indication of de Klerk's seriousness about getting talks started.

In his inaugural address in Pretoria on September 20, de Klerk asked all South Africans to commit themselves to reaching a peaceful accord and promised a completely new approach to removing obstacles—"discussion and negotiation between everyone who seeks peace." He also seemed slightly uneasy about the excitement his change in the rules on public protest had generated. He was aware that "unreasonable expectations" had been aroused and cautioned that he could not be held responsible for "over-enthusiastic or even twisted versions of our policy."

Despite that warning, de Klerk continued to raise expectations. He talked formally for three hours at his office in Pretoria with Boesak, Tutu and other black clergymen about preconditions for negotiations, obstacles that Tutu said de Klerk badly underestimated. De Klerk replied that a government could not be held to a timetable set in advance, then proceeded with his own. He released Walter Sisulu, the 77-year-old former secretary general of the ANC who in 1964 was sentenced to life imprisonment for sabotage, and seven other veteran antiapartheid leaders. Sisulu's release had been expected, but the timing appeared related to the fear of sanctions. No official informed Albertina Sisulu that her husband was about to be freed, but de Klerk did find time to telephone the news to Prime Minister Margaret Thatcher on the eve of her departure for the Commonwealth conference in Malaysia. At the conference Mrs. Thatcher argued against further sanctions.

De Klerk said that the release of the eight black leaders would contribute to reconciliation, but the release of Mandela "is not now on the agenda." One reason for the delay, it seemed, was that Mandela would be held as a guarantee of reasonable behavior on the part of those released, and another was Mandela's own reluctance to be freed until a serious negotiating process has begun. Mandela sent a message from his prison residence saying that his release was not under consideration "at this stage."

The release of Sisulu and other well-known ANC leaders set off a wave of celebrations and parades that added up to a de facto unbanning of the ANC. At a huge ANC rally near Soweto at the end of October, Sisulu told a crowd of 70,000 supporters

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

that he saw "no clear indication that the government is serious about negotiations," and in the many interviews he granted, Sisulu went out of his way to emphasize that violent struggle would continue. Some of his released colleagues directly rejected any suggestion that they might form a domestic and more moderate wing of the ANC.

That hold-the-line position advocated by the ANC was formally endorsed in early December at the largest antiapartheid conference in 34 years. More than 4,500 delegates from several hundred organizations met in Johannesburg and resolved that they would continue the struggle without compromise. They were convinced that the de Klerk government was "not interested" in having "genuine negotiations" or in creating a democratic South Africa. While the delegates welcomed the changes de Klerk had introduced, they concluded that his objective was only to make apartheid "palatable" to the country and the world.

While visiting the Ivory Coast on December 2, de Klerk had said that the question was not whether Mandela would be released, but when. At Mandela's request, the two men met in Cape Town on December 13. Although spokesmen for the Mass Democratic Movement again insisted that Mandela was not negotiating with de Klerk, it was clear that the two men had discussed ways in which the government could meet the preconditions that the movement demands.

VI

Domestic opponents and foreign governments have now started giving de Klerk deadlines. Prime Minister Thatcher has warned that he certainly does not have the five years he spoke of to carry out his "action plan." Herman Cohen, the new American assistant secretary of state for Africa, said in Washington that the Bush Administration would wait until the end of the next South African parliamentary session in June 1990 to see whether de Klerk has made significant progress toward meeting the preconditions for negotiations. If he has not, Cohen said, the United States will consult with its allies about further punitive sanctions. Archbishop Tutu suggested almost the same approach, asking that major new sanctions be held off until de Klerk's achievements in parliament can be evaluated. It is clear to Tutu and Cohen that the threat of sanctions has more political utility than their actual imposition. But those setting out deadlines, like those who have been

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

saying "give de Klerk a chance," are likely to be disappointed in both the timing and content of any future negotiations. As de Klerk told a Western diplomat recently, "Don't expect me to negotiate myself out of office."

De Klerk's intention is to share power without surrendering it. The power he has it in mind to share is that over what he calls the blacks' "own affairs," such matters as black education, housing, health and infrastructure. Blacks may decide on those policies and, presumably, impose the taxes on the black community necessary to finance them as well. But he has no intention of allowing blacks any power over the white community's "own affairs" or the wealth produced by it. This arrangement he calls "self-government." The indirectly elected, race-based legislative bodies he envisions would meet alone to decide their "own affairs" and together only to consider "general affairs" such as foreign policy, defense or highways. His unalterable basic position is that "groups," meaning racial groups, have rights; white-group rights include the freedom to live, go to school, receive medical treatment and vote in whites-only institutions.

In short, whites have the right to retain the forms of apartheid they cherish most. De Klerk would not express it that way because he believes it is possible to discriminate without being prejudiced. "Our strong emphasis on group rights," he said in parliament, "is based on the reality of South Africa and not on an ideological obsession or racial prejudice. All the lip service being paid to a so-called nonracial society is pure nonsense."

De Klerk proposes a negotiation with all those who have abjured violence, that is, those who have sworn they would not take part in revolution or civil war, followed by the election of representatives to a national forum. If the ANC were ever to agree to this, it would find its influence diluted by the participation of several other black groups, including the Zulu Inkatha movement, other homeland officials, black municipal leaders and "moderate" black religious leaders. As de Klerk said in July, "I sincerely believe that much too much credence is attached to the ANC, to the detriment of the status of recognized leaders who command substantial support throughout or in large regions of South Africa." These are fighting words to the ANC, which considers itself the sole legitimate interlocutor with Pretoria and dismisses all officials now participating in "the system" as sellouts.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Black leaders quite correctly regard de Klerk's design as one for the continuation of apartheid with a smiling face. Their own program, however, is equally nonnegotiable so far as de Klerk is concerned. Their goal is a unitary state in which each adult will have a vote and the majority will rule. They reject the concept of group rights as unnecessary and a relic of apartheid. Yes, they say, negotiations should take place, but only to create a transitional government that will supervise elections on a one-person, one-vote basis. It would be, as the government puts it, a meeting to negotiate Pretoria's surrender.

Even for that kind of meeting, the ANC and its principal internal allies have preconditions. The most complete list was presented to de Klerk by Tutu and the Reverend Frank Chikane, general secretary of the South African Council of Churches, at their meeting on October 11. The list includes immediate demands: end the state of emergency, lift restrictions on activists and organizations, release political prisoners and rescind all death sentences. If these are not met, said Chikane, "negotiations will be a nonstarter." Even if de Klerk meets them, however, the list contains more demands that must be fulfilled in the next few months: repeal legislation restricting political activities and all of the central apartheid laws.

Such actions are not in de Klerk's plan. When he emerged from that meeting, he said the two sides had to stop "talking past each other." As he replied then, he would not be held to a timetable and would proceed in a step-by-step fashion. He has done so on his own schedule, promising again to lift or modify the state of emergency and announcing that the Separate Amenities Act, which provides for segregated public facilities, will be repealed.

The changes de Klerk has instituted in 1989 are essentially a relaxation in the enforcement of certain security regulations and segregation laws. They have provided no movement on the issue now at the top of the agenda: political power. His intention is three-fold: (1) to make a highly visible show of reform in order to impress the world; (2) to put the onus for a delay on the ANC; and (3) to draw "moderate" black leaders and those he sees as the silent majority into negotiations on his terms. De Klerk hopes to avoid further sanctions if he can, but he will face them if they come rather than compromise on what he sees as nothing less than the survival of his Afrikaner volk.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The antiapartheid movement is in a quandary. Its leaders know full well that de Klerk is not going to hand over his government and that negotiations for a settlement reached by stages is the most realistic approach. But they fear that such a course, which could be a prolonged one, would kill the excitement and commitment they have mobilized in their followers. Sisulu was conscious of that in his October appearance, when he urged supporters to keep up the pressure on the government. But how serious are those pressures? There is no revolution in South Africa and there is none on the horizon. Foreign Minister Roelof Botha reflected this when he asked, "Why should we surrender when we have not been defeated?"

The ANC has not been a success at guerrilla warfare and with the Soviet Union backing away, large-scale violence is less likely than ever. It cannot hope to mount a revolution without bases in neighboring states, secure supply lines for weaponry and training and other outside support. Throwing rocks and firebombs at police vehicles does not constitute a revolution. The township rioting of 1985 and 1986 was quickly choked off by the security forces. Boycotts and strikes are almost certainly the movement's most effective weapons, but so far it has not been able to organize any actions large enough or sustained enough to damage the economy and threaten the government.

Many South African businessmen say that the most effective sanction conceivable would be for millions of South African workers simply to stay home and withhold their labor until the government agrees to their terms. Such major mobilization remains beyond the reach of the antiapartheid movement. As a result, both domestic activists and ANC exiles continue to place excessive faith in economic sanctions from abroad as a decisive weapon. This *deus ex machina* is a delusion, because foreign governments are unwilling to impose measures that involve a significant cost to themselves. International banks have already agreed to reschedule billions of dollars of South Africa's short-term debt.

There is, so far, no pressure in sight that will force de Klerk to bargain away his vision of white rights and security. For the near future, the outlook for South Africa is change but no solution.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Mark A. Heller

THE MIDDLE EAST: OUT OF STEP WITH HISTORY

For most of 1989 the Middle East languished outside the mainstream of global change. Stubbornly wedded to timeworn arguments about primordial conflicts, the region increasingly seemed a backwater of intellectual ossification and political stagnation. Toward the end of the year there were some tentative signs that Middle Eastern actors might yet transcend their pasts, but those changes were slow, hesitant and easily reversible. The Middle East remained a challenge to the rest of the world, but it was also in danger of becoming a mere bore.

Nothing better symbolizes the Middle East's declining salience in world affairs than the contrast between the regional landscape awaiting President George Bush in January 1989 and that which eight years earlier had confronted his predecessor.

When Ronald Reagan took office in 1981, attention was riveted on two crises: a massive Soviet counterinsurgency war in Afghanistan, which many Western analysts interpreted as the first stage of an aggressive Soviet strategy aimed at the Persian Gulf, and the Iran-Iraq War, which had just broken out and which threatened to destabilize the major source of the world's oil exports, and perhaps presage the spread of revolutionary Islam throughout the Middle East.

By the time George Bush embarked on his presidency, the Soviet Union had suffered an embarrassing defeat and virtually withdrawn from Afghanistan. The new Soviet leadership was actively promoting the idea of cooperative superpower efforts to resolve regional conflicts. Those developments not only signified the diminution of any direct Soviet military threat to the Middle East but also foreshadowed a general Soviet retrenchment throughout the Third World.

Meanwhile, events had exposed Iran's inability to impose its revolutionary vision on Iraq, much less on the rest of the Islamic world. Six months before Bush's inauguration, Iran had agreed to a cease-fire on terms previously described as

---

Mark A. Heller is Senior Research Associate at the Jaffee Center for Strategic Studies, Tel Aviv University.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

totally unacceptable, and it had begun to experiment with postrevolutionary reconstruction and normalization of foreign relations. Those actions were tantamount to defeat in the war and the successful containment of the Iranian threat to the conservative Arab oil-producing states on the western side of the Persian Gulf.

Local instability, of course, was as pervasive as ever. Even so there was little to portend a serious disruption in the flow of oil or an imminent regional war implicating the superpowers. In the absence of such storm warnings on the strategic horizon, there was no clear incentive for aggressive American involvement in the Middle East and no obvious penalty for passivity. It is therefore not at all surprising that the initial inclination of the Bush Administration was to minimize its investment of effort and political capital in the area.

II

American circumspection was most evident in the Arab-Israeli conflict, whose conceptual parameters remained unchanged even as the protagonists stumbled on through what is wistfully termed "the peace process." Curiously, developments in that process were stimulated and sustained by the protagonists' expectation of genuine American interest and involvement in moving the process forward.

The grounds for such expectations were not at all clear. It is true that Bush began with an important diplomatic inheritance—Reagan's decision in December 1988 to enter into a "substantive dialogue" with the Palestine Liberation Organization. That decision undoubtedly constituted a significant milepost in U.S. policy, but it also appears to have been an isolated measure in response to statements by PLO Chairman Yasir Arafat that met longstanding American terms for such contacts. While Bush was obviously involved in the decision and resisted subsequent pressures to break off the U.S.-PLO dialogue, there was little to suggest that it formed an integral element of any coherent U.S. strategy or vision for the future. Nor was there anything in his election campaign or in his early presidential declarations to indicate that the new president felt a pressing need to move aggressively on Middle Eastern issues. On the contrary, the slow pace of U.S. appointments to the Middle East and the identity of those appointed reflected a view of the area that could be fairly summarized as "cautious continuity." Secretary of State James Baker de-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

fended the merits of "a more reasoned and measured approach," and Bush, when asked about Soviet Foreign Minister Eduard Shevardnadze's February 1989 tour through the region, pronounced himself unconcerned with the prospect of the Soviet Union seizing the initiative. Finally, the comprehensive foreign policy review undertaken by the new administration appears to have left the Middle East fairly low down on any list of priorities.[1]

Arabs and Israelis, however, found it difficult to take seriously the possibility that the United States might not be consumed with interest and intensely engaged in their problems. Captivated by the image of American power and ultimate willingness to use it, they felt compelled to undertake some actions themselves. Their actions were not necessarily intended to facilitate negotiations with adversaries; both sides believed that they could best promote their own objectives by persuading the American public and government of the rectitude of their respective causes. Even if Palestinians and Israelis were only responding preemptively to American activism that was not really planned, the effect was to create opportunities for progress that U.S. leaders could not easily resist. Thus, the United States was drawn into a magnetic field of diplomacy that often left local protagonists feeling distinctly uneasy about the implications of their own actions. In short, expectations about American policy became self-fulfilling prophecies that kept the engine of the peace process going; the problem was getting out of first gear.

Not surprisingly, it was the Palestinians who displayed the most urgent interest in doing so. The *intifadeh*, the uprising in the Israeli-occupied West Bank and Gaza, was now more than a year old and already institutionalized. It had not yet shaken Israeli will or ability to remain in control of the territories, and declining media interest cast doubt on its continuing political utility. Israel's suppressive measures, meanwhile, along with

[1] Those priorities, far from being eccentricities of the Bush Administration, reflected the reading of many informed observers. In an overview of the country's foreign policy challenges in the coming years, former President Richard Nixon made only one fleeting reference to the Persian Gulf and did not mention the Middle East at all. See Richard Nixon, "American Foreign Policy: The Bush Agenda," *Foreign Affairs: America and the World 1988/89*, Vol. 68, No. 1, pp. 199–219. Similarly, former Presidents Gerald Ford and Jimmy Carter (the latter known for his lively personal interest in the Arab-Israeli conflict) failed to include the Middle East in their list of six "First Priorities" or even in their list of six less urgent "Ongoing Priorities," which they produced for Bush's consideration. See *American Agenda: Report to the Forty-First President of the United States of America*, Camp Hill, Pa.: Book of the Month Club, n.d., pp. 16–56.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

self-imposed disruptions and the failure of Arab countries to honor their pledges of financial assistance, were taking a mounting toll. For the most part, the residents of the territories remained willing to defy the Israeli authorities and pay the price. But as their frustration level rose, so did signs of disunity and undiscipline, especially the spread of internecine violence to pursue factional disputes, punish "collaborators" and other violators of public virtue, and even to settle private scores or extort money under the cover of national resistance.

The political concessions made by Arafat at the end of 1988—affirming the principle of partition, accepting the existence of the state of Israel and renouncing terrorism—had not produced the desired political payoff: Palestinian independence in at least part of the old British Mandate area of Palestine. Support for that objective was forthcoming, and had been for a long time, but not from the parties that mattered most. The Israeli government remained adamantly opposed to the idea of a Palestinian state and rejected any direct dealings with the PLO, regardless of what Arafat did or did not say, and the United States stressed not only that it did not endorse Palestinian statehood but that it refused even to discuss the substance of a final-status agreement.

As a result, even Arafat's supporters expressed impatience with the political strategy, and his critics demanded immediate resumption of the "armed struggle" against Israel. The PLO, however, did not really have a viable military option. Nor were veiled threats to escalate the *intifadeh* very credible; although weapons were available in the territories, hints that a signal from Tunis could unleash a vast, unutilized capacity for armed revolt simply did not ring true. The potential for violence stemming from personal desperation, bureaucratic calculation or ideological passion remained, but any reasoned analysis indicated that diplomacy was still the least unpromising of all the unpromising Palestinian options.

Arafat, who had always been an indefatigable traveler, now became more peripatetic than ever, using every opportunity to restate the enormity of his concessions, the reasonableness of his demands and the sincerity of his commitment to peace. During a state visit to France at the beginning of May, he used the French word *caduque*, outworn or obsolete, to describe the Palestine National Charter, which rejected the principle of partition and called for the destruction of Israel. Arafat by himself was unable to sustain an effective diplomatic campaign

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

in the United States and he continued to rely on help from Arab supporters, especially President Hosni Mubarak of Egypt. Mubarak's mission was to press the Bush Administration to become more actively involved in the peace process—which was universally understood (except, perhaps, by Israeli leaders who made similar appeals) to mean more vigorously critical of Israeli positions.

What Mubarak desired, of course, was precisely what Israeli Prime Minister Yitzhak Shamir feared. Israeli leaders were obviously anxious that the new American president would not be as sympathetic to Israeli policies as was his predecessor. During an April meeting with Mubarak, Bush did agree that Egypt and the United States shared a number of goals: the importance of Israeli security, the end of Israeli occupation of the territories, and the achievement of Palestinian political rights.[2] There was nothing new, however, in that posture. What most concerned Israeli leaders was the prospect that Bush might accept the longstanding Arab demand for an international conference on the Arab-Israeli conflict or apply even cruder pressure. The mere fact that exhaustive analyses of the new administration failed to turn up any evidence pointing to such a change was not enough to reassure decision-makers in Jerusalem. From the beginning of 1989, the prevailing view among politicians and pundits was that Israel had better come up with something during Shamir's April meeting with Bush if Israel wanted to buy time and avoid American pressure. As a result, Shamir produced a four-point plan focusing on elections in the West Bank and Gaza.

In May Shamir's four points were reworked into a 20-point government initiative that provided for several longstanding Palestinian requirements, including direct talks with a distinct Palestinian negotiating partner. However the initiative also restated Israel's traditional rejection of any explicit PLO involvement in the peace process and of any prior linkage between an interim settlement, based on Palestinian self-rule in the territories, and a permanent settlement. Though it avoided any reference to the issue of territorial claims, the initiative reiterated Israel's determination to oppose the establishment of an independent Palestinian state, arguing instead that the objective of the process was a peace treaty between Israel and Jordan.

[2] United States Information Service, *Official Text*, April 4, 1989, p. 2.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Distracted by Shamir's presumed motive—to impress Americans—the Palestinians dwelt exclusively on the flaws in his proposal and dismissed it as "warmed-over Camp David," ignoring the dynamic that might be stimulated if they themselves were to respond positively. For the rest of 1989, the diplomatic record consisted of arguments about ostensibly procedural questions that actually involved profound substantive issues. The most intractable of those questions were:

—would preparatory discussions deal with anything beyond the modalities of elections (i.e., what was to be the link, if any, between an interim agreement and a permanent settlement);

—would East Jerusalem residents participate in the negotiations and elections (i.e., is East Jerusalem part of the West Bank or of Israel);

—aside from residents of the West Bank and Gaza, which Palestinians if any would take part in an Israeli-Palestinian dialogue to prepare the elections (i.e., how visible a role would the PLO play in Israeli-Palestinian negotiations)?

Given the political realities on the ground, it was sometimes difficult to understand the intensity of the argument, especially about the PLO's explicit involvement. After all, years of searching had failed to turn up a more congenial alternative. No Palestinians had been found who were willing to settle for less than what the PLO now accepted, and the only challenge to its authority came from nationalist hard-liners or religious fundamentalists who rejected even that. Israel's determination to exclude the PLO was often explained by the fact that the aspirations of the "outsiders" who form the PLO's major constituency are focused on Israel proper. But even West Bank and Gaza "insiders" (almost half of whom are themselves 1948 refugees or their descendants) insisted that they would ultimately settle for nothing less than a state and that the PLO, which officially demanded nothing more, was their only legitimate representative. Thus, pre- or post-election negotiations about a settlement could not succeed or even take place without the PLO's consent, and it seemed immaterial whether this consent was formal or merely implied. Furthermore Israel and the PLO were already engaged in a negotiation of sorts through their parallel discussions with third parties about the same issues.

By the same token, it was not altogether clear why the PLO remained so adamantly insistent on an explicit role from the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

very outset. If the PLO was truly confident that its preferences would be faithfully reflected by an elected Palestinian delegation, it could have endorsed a useful fiction and removed a major obstacle to progress, without sacrificing any real influence on events. Its refusal to do so suggested that the PLO's real concerns might be institutional: Palestinians elected in the territories, even though nominally loyal to the PLO, might gain sufficient legitimacy to challenge the preeminent status of the PLO leadership in Tunis. It was also possible that elections in the occupied territories would reveal widespread identification with rejectionist forces; the most radical Syrian-sponsored terrorist factions may be of marginal importance, but the Islamic movement has become a genuine Palestinian phenomenon, and an unexpectedly strong showing in elections would discredit the entire basis of the PLO's peace offensive. Such considerations may have explained the desire of PLO supporters to bypass elections entirely and turn a preparatory Israeli-Palestinian dialogue into a full-fledged negotiating forum.

But whatever the reasons for their postures, neither the Israeli nor PLO leaders were inclined to give much ground. Nor did domestic considerations push them in that direction. On the Palestinian side, pragmatic elements, especially from within the territories, wanted to cultivate American and Israeli opinion and make possible some political advance that could ease, if not altogether eliminate, the pressing double burden of occupation and *intifadeh*. By the end of the year, over 150 Palestinians had died at the hands of other Palestinians and there was growing concern that the uprising might degenerate into mere anomie. Nevertheless, the *intifadeh* could not be fine-tuned according to current policy needs. No one wanted to turn it off without some tangible progress toward statehood, lest it prove impossible to turn it back on again if a stalemate developed a few years later. Moreover nationalist and religious forces, even those within the PLO, were highly critical of the concessions Arafat had already made, and they strongly opposed any direct dialogue with Israel, much less negotiations and/or elections on Israel's terms.

In Israel, Shamir faced demands for greater flexibility from within what is euphemistically called the "Government of National Unity," but his coalition partners in the Labor Party lacked both the strength to replace him and the will to go into opposition. More worrisome was a counteroffensive launched by hard-liners within his own Likud Party, who believed that

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

consequences were more important than motives. Those forces, led by Trade Minister Ariel Sharon, took very seriously the dynamic of which Palestinians were so contemptuous, namely, that the initiative was the first step on a slippery slope leading inexorably to a PLO-dominated Palestinian state. In July the group persuaded the Likud Central Committee to adopt some highly constrictive guidelines. While unable to abort the initiative entirely, they did embarrass the prime minister and provided Shamir a further incentive, if any were needed, not to deviate from the plan as originally formulated. Furthermore the spread of the *intifadeh* over the Green Line, in the form of violent attacks on Jews and Jewish property within Israel proper, appeared to be hardening overall Israeli public opinion.

It was readily apparent that Israel and the PLO alone could not bridge the gap separating them. Although it often seemed as though the entire world was volunteering to help, the main burden was assumed by Egypt and the United States. About a month after the Israeli cabinet decision, Mubarak suggested ten conditions that might encourage the PLO to signal its approval of elections. Mubarak did not specifically mention either the PLO or a Palestinian state, but he did stipulate that preparations for the elections be made by a joint Israeli-Palestinian committee. He also required the participation of East Jerusalem residents as voters and candidates, the commitment of Israel to a final-status agreement based on "territory for peace," and a prohibition on further Israeli settlement in the occupied territories. When Labor leaders proposed cabinet acceptance of Mubarak's plan in early October, the motion was defeated on a tie vote.

As a result, the only remaining life-support system for the peace process was direct American involvement. Secretary of State Baker's speech to the American Israel Public Affairs Committee in May 1989 had been widely interpreted as evidence that the United States might be distancing itself from Israeli positions. In fact, a closer reading of the text revealed that it was fully consistent with long-standing American attitudes, and State Department officials spent most of the summer pressing for PLO endorsement of the Shamir initiative, both in the Tunis dialogue and indirectly in discussions with senior Soviet diplomats. Despite the thrust of its activities, the United States resisted the impulse to stake out its own position, preferring instead to stay in the wings and urge others to take

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the leading roles. Only in October did the United States reluctantly move to center stage.

Even then, the result was not an American design, but rather a set of ambiguities intended to facilitate what Egypt had been unable to accomplish. Since Baker's five points aimed at obscuring the same fundamental disagreements about the negotiating agenda and the role of the PLO, it is not surprising that neither the Israeli government nor the PLO showed much enthusiasm. Yet, the intervention bore too impressive a cachet to permit a categorical rejection. Israel extracted two cosmetic changes before finally accepting the proposal in November, "on the assumption" that U.S. assurances of six Israeli requirements would be forthcoming, the most important being that "Israel will not negotiate with the PLO." Though not formally invited to respond, the PLO sought precisely the opposite assurances through Egyptian intermediaries. In early December, Egypt finally communicated its own willingness to proceed on the basis of the five points, thus clearing the way for a preliminary meeting of American, Egyptian and Israeli foreign ministers. Nonetheless, it was still not clear what conditions, if any, were attached to Egypt's acceptance and whether or not its position was fully coordinated with the PLO.

In short, the United States still had not achieved what was, by definition, a very elusive objective: PLO participation in a negotiating process that could be simultaneously affirmed by the PLO and denied by the Israeli government. The experience of 1989 illustrates once again the basic conundrum of Israeli-Palestinian peacemaking: No one, including the United States, can overcome the obstacles to peace except Israelis and Palestinians themselves, but only the United States can give them the resolve to do so. Despite dissatisfaction on both sides with elements of American policy, Israelis and Palestinians still view the United States as the only real superpower; voices on both sides call for its continuous, active involvement. Global changes may mean that such involvement is no longer an urgent strategic necessity for the United States, but the political and moral imperative remains as valid as ever.

III

The glacial pace of the Arab-Israeli peace process found parallels in the search for resolutions of both the Lebanese civil war and the Iran-Iraq conflict. In the Persian Gulf political

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

stalemate meant only an uneasy truce, but in Lebanon the result was truly catastrophic.

The specific direction of Lebanese developments in 1989 flowed from the failure of the Lebanese parliament to elect a successor to President Amin Gemayel. Just before he left office in September 1988, Gemayel appointed Army Commander General Michel Aoun as interim prime minister, flouting the convention which reserved that office to a Sunni Muslim. After Aoun moved into the presidential palace in Baabda, two Lebanese governments existed in Beirut, neither of which functioned elsewhere in the country. Aoun declared that his mission was to reunify Lebanon by liberating it from foreign occupation, and his primary target was the Syrian army, which controlled over half of Lebanon's territory.

Aoun lacked the military capacity to expel the Syrian forces; his only conceivable course of action was to weaken Syria's local allies and provoke Arab and/or international intervention in favor of Syrian withdrawal. At the beginning of March, Aoun therefore moved to close down the private ports of Muslim militias south of Beirut. Beyond their symbolic value, these ports generated huge revenues from the smuggling of drugs grown and processed in the Bekaa Valley. Aoun's action set off a new round of fighting in Beirut so vicious that the apocalypse, so long predicted, seemed finally to have arrived.

During the next six months, the destruction of lives and property, far from serving any discernible political objectives, seemed driven by a logic of its own. Exchanges of artillery and rocket fire killed over 800 people and forced hundreds of thousands from both sides of Beirut's Green Line to seek shelter in the comparative safety of the countryside. Calls by Arab League foreign ministers for a cease-fire went unheeded, as did an appeal by Pope John Paul II to stop the "genocide" in Lebanon.

The Syrian contingent in Lebanon played no direct role in the combat, but Syria provided material and logistical support for Lebanese elements, including some Maronite Christians, opposed to Aoun, and it strongly resisted any concerted Arab action threatening its own presence in Lebanon. Despite Iraqi protests, the Arab summit conference held in Casablanca in May 1989 made no reference to Syria. Instead, it established a tripartite committee to consult with the various Lebanese factions and to reconvene parliament so that a new president could be elected. But only in late September did a cease-fire

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

finally go into effect. Even then, conditions precluded any conference in Lebanon and the parliament, scarcely mindful of the irony, instead met in Saudi Arabia, a country with no parliament of its own.

These consultations produced the Ta'if agreement, which held out the first faint hope of reconciliation in many years.[3] The conceptual basis of the Ta'if agreement was a commitment to the eventual elimination of confessionalism in the allocation of state offices and privileges. Until then, power would be slightly redistributed in favor of Muslims. The charter did not mention Syrian withdrawal from Lebanon, but it did stipulate that Syrian forces would redeploy in two years to the Bekaa Valley.

Except for its promise to end the killing, there was little in the agreement to arouse real enthusiasm. The deputies who met in Ta'if were the elderly survivors of a parliament elected 17 years before. While their proposed reforms were not trivial, they hardly reflected the radical changes in Lebanese politics and society since 1972, much less since the so-called National Pact of 1943 had been formulated. Nor did the agreement disguise the fact that Syrian predominance would continue for the foreseeable future. Still, the Druze community and most Shi'ites preferred that prospect to Maronite hegemony even if they themselves stood to gain little in the short run, while the Sunnis retained rather more than their numerical and military weight in Lebanon might indicate. Even some Maronite Christians convinced themselves that the likely alternatives—loss of all power or the total disintegration of the country—would be worse. As a result, a rump parliament was able to meet in northern Lebanon on November 5 and choose a new president, René Muawad. That action may have restored the legality of Lebanon's government, but restoration of its authority was impossible without Aoun's concurrence or elimination—and General Aoun proceeded to denounce the entire effort as a Syrian fraud.

Seventeen days after he was elected, President Muawad was blown up by a car bomb in West Beirut. Although the killers could not be identified, it was widely assumed that Muawad's assassination was Aoun's way of defying Syria, which responded by quickly reconvening parliament in territory under

[3] The text of the National Reconciliation Agreement is printed in *Al-Nahar*, Beirut, Oct. 23, 1989.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

its direct control. Under the watchful eye of Syrian security forces, the deputies, some of whom had been flown in from Paris to ensure a quorum, chose Elias Hrawi, an obscure Maronite Christian politician, to succeed Muawad. Hrawi then announced that he intended to take his rightful place in the presidential palace in Baabda, by force if necessary, and he gave Aoun 48 hours to get out of town. Amid much publicity, Syrian troops around the Christian enclave were also reinforced. But when the ultimatum expired, Aoun was still in his bunker, shielded by thousands of civilian followers.

Despite the confrontation between General Aoun and the Syrian government, what is striking about the perpetuation of Lebanon's agony was the secondary role normally played by outside forces. Third-party intervention had originally been precipitated by internal Lebanese conflicts; it was continuously solicited by at least some Lebanese factions because of its anticipated impact on the domestic balance of power, and it was perpetuated by the political standoff. Moreover, such intervention often took the form of support for Lebanese belligerents rather than massive direct involvement in combat (though there were obvious exceptions to that generalization).

In 1989 Syrian policy remained one of ensuring paramount influence through manipulation of Lebanese divisions, rather than of direct rule through force. Iraq was inclined to back General Aoun in order to make Syria's president, Hafez al-Assad, pay for his support of Iran during the Gulf war. Nevertheless, despite Iraq's criticism of the Ta'if agreement, the flow of supplies from Baghdad was intermittent, and Iraqi leader Saddam Hussein showed no appetite for a full-fledged confrontation. Iran retained ties with the Shi'ite community through its support of Hezbollah, but while clashes between Hezbollah and the Amal Party did not end, Syrian primacy was essentially conceded at the beginning of 1989 in an agreement between the Iranian and Syrian foreign ministers. Since withdrawing the bulk of its forces in 1985, Israel has been preoccupied with its security zone in southern Lebanon and shown a studied indifference to political developments in the rest of the country. Parties further afield, including the Soviet Union, continued to urge reconciliation, but the great powers that had such prominent roles in Lebanon's history—France and the United States—now resisted urgent pleas by Aoun's supporters to intervene more aggressively. Indeed, the American ambassador pointedly left Beirut in early September,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

following Maronite Christian demonstrations protesting U.S. "collusion" in Syria's occupation.

Despite the continued suffering, most veteran Lebanese politicians seemed incapable of thinking about a new constitutional structure that would properly reflect the upheavals in Lebanese society. Determined to avoid anything that might recognize the de facto triumph of sectarianism and encourage de jure partition, they aimed instead at resuscitating a strong central government and focused on the necessary reforms. As a result, any negotiations inevitably became a struggle to redistribute power among communities: a zero-sum game. While a peaceful solution of that game was not inconceivable, conditions in late 1989 made the resurrection of the state of Lebanon seem more remote than ever.

IV

Although Iran and Iraq came no closer to a political settlement of their conflict, they at least did not face the immediate prospect of renewed fighting. But while both sides continued to honor the cease-fire, there was little evidence of psychological demobilization, and political-military postures reflected an expectation that the war that ended in August 1988 would not be the last one.

Iran's acceptance of the cease-fire and the growing influence of Parliament Speaker Hojatolislam Hashemi Rafsanjani prompted much speculation that the country was entering a post-Khomeini era even before the death of the Ayatollah Ruhollah Khomeini. That prognosis was not borne out by subsequent developments. The mid-air explosion of a Pan Am airliner in December 1988 and a wave of killings at home showed that terrorism, both international and domestic, was still a tool for at least some elements in the regime. Reports soon surfaced of an intense power struggle between pragmatists favoring a relaxation in Iran's internal regime and its relations with the West and a hard core of purists determined to preserve "revolutionary values" in all matters. In February, Khomeini's exhortation to kill Salman Rushdie, author of *The Satanic Verses,* signaled his preference for the purist camp. The following month, his designated successor as Iran's spiritual leader, Ayatollah Hossein Ali Montazeri, resigned his post after having questioned some aspects of Iran's war policy and having expressed cautious approval of domestic liberalization.

Even Khomeini's death on June 3, 1989, did not necessarily

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

mean the end of the Khomeini era in Iranian politics. Rafsanjani was elected president in July and managed to exclude several prominent hard-liners from his new government, but there was serious friction between Rafsanjani and a "camp of the Imam" (reportedly led by Khomeini's son, Ahmad), which was irreconcilably opposed to any deviation from revolutionary orthodoxy. In such circumstances, no one was eager to placate other countries, least of all Iraq. The major exception was the Soviet Union, and a central feature of that emerging relationship was Soviet help in rehabilitating Iran's battered armed forces.

Iraq may have suffered greater economic losses than Iran because of the war, but it enjoyed clear military superiority and had registered some significant successes in the months before the cease-fire. Hussein, though hardly eager to resume hostilities, saw no need to make concessions for the sake of a peace treaty. In response to the Iranian demand that Iraq withdraw from about 2,500 square kilometers of Iranian territory seized during the final stages of the war, Iraq claimed that it was impossible to redeploy to international boundaries until some agreement established those boundaries. In Iraq's view that required repeal of the 1975 Algiers agreement, which placed the border at the *thalweg* (line of deepest flow) of the Shatt-al-Arab, and Iranian recognition of Iraqi sovereignty over the entire river. Pending such an agreement, Iraq demanded that Iran permit dredging operations in the Shatt's shipping channels and carry out the repatriation of prisoners of war.

Efforts by U.N. mediators to resolve those differences produced little more than mutual accusations of bad faith, and although relations between Iran and Iraq did not portend an imminent resumption of armed hostilities, they remained highly acrimonious. The most ominous aspect of the diplomatic exchange was that Iraq's demand on the Shatt was precisely the war aim it had set for itself in 1980.

Mindful of the impact of international isolation on Iran's warmaking capacity, elements in Iran's leadership made some fitful efforts to diversify the country's foreign relations. Nevertheless ties with most states remained uneven and uneasy. A dispute with Saudi Arabia over Iranian participation in the pilgrimage to Mecca continued through 1989, and except for Syria, the rest of the Arab world remained generally supportive of Iraq's position. The "Rushdie affair" delayed a rap-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

prochement with several European powers and further alienated a hostile American public. In any event, the normalization of ties with the United States was intimately bound up with the issue of U.S. hostages in Lebanon, with the United States insisting that the hostages must first be freed unconditionally and Iranian spokesmen arguing simultaneously that they had no influence in Lebanon and that they would only use it after the United States had demonstrated "goodwill." In fact, the United States offered in July 1989 to pay compensation for victims of the Iranian civilian aircraft shot down the year before, and President Bush agreed in November to release $567 million in frozen Iranian assets.

Nevertheless powerful forces in Iran rejected any rapprochement, not because of what the United States did but because of what it still was—the "Great Satan." During the summer, the Association of Combatant Clerics warned those Iranian leaders (presumably including Rafsanjani) who wanted to dispel political misunderstandings that the real problem was "the criminal nature of America," and they recalled Khomeini's dictum that "Iran will never stretch its hand toward the United States unless it dies."[4] In short, Iran's relations with the United States and the rest of the world, including Iraq, were still contingent on the uncertain course of a revolution that, despite Khomeini's death, was still hostage to its own ideological fervor.

V

Elsewhere in the Middle East, some patterns and structures did begin to change. In February the creation of the Arab Cooperation Council gave economic expression to the political alignment of Egypt, Jordan and Iraq that had been gradually emerging for several years; Yemen was added as something of an afterthought. European-style integration, however, was as remote as ever; thousands of Egyptian workers fled Iraq during 1989, many of them with bitter complaints about Iraqi mistreatment and financial exploitation.

Egypt's complete rehabilitation in Arab politics was symbolized by the visit of Saudi Arabia's King Fahd to Cairo in February and Mubarak's appearance at the Casablanca summit, the first time Egypt participated in an Arab summit

[4] Islamic Republic News Agency, cited in BBC, *Survey of World Broadcasts*, Aug. 28, 1989, p. A/4.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

conference since signing the Camp David accords in 1978. Mubarak even exchanged highly publicized visits with Libyan leader Muammar Qaddafi in October, and at the end of the year Egypt and Syria agreed to restore diplomatic relations after a decade-long rift. The timing of those developments may well have been influenced by extrinsic factors, especially Soviet policies, which compounded the diplomatic isolation of Libya and Syria. Nevertheless, the changes themselves were essentially dictated by the fundamental reality of Egyptian power, to which other Arabs had begun to accommodate themselves in various ways almost as soon as they had formally excommunicated Anwar Sadat in 1978.

There were also some cautious experiments in limited democracy. In Jordan, large-scale riots in mid-April revealed popular discontent with economic recessions, corruption and martial law, and King Hussein responded by promising to hold parliamentary elections for the first time since 1967. Apart from the prohibition on political parties and some gerrymandering to favor rural districts (where relatively few Palestinians live), the November elections were virtually free of government interference; over 600 candidates competed for 80 seats, and despite Hussein's preelection homily on the virtues of religious moderation, 34 of the winners were associated with fundamentalist ideologies.

Further west, in late 1988 Algeria had also experienced a wave of riots, which were repressed with much more bloodshed than those in Jordan. The Algerian government, however, concluded that it should relax domestic controls, and though there were no democratic elections a kind of glasnost permitted greater freedom of expression and political organization. Nevertheless democratization, even of the controlled variant introduced in Jordan and Algeria, was not a region-wide phenomenon; authoritarian regimes elsewhere in the Middle East saw no purpose and faced little popular demand to share power as widely or as quickly as did rulers in most other parts of the world.

Indeed, the most noteworthy example of new thinking in the region was the Middle East policy of the decision-makers in Moscow. During 1989 the de-ideologization of Soviet policy was manifested in several ways, including the first visit to Jordan by a Soviet foreign minister, the consolidation of ties with Egypt, and the establishment of contacts with previously shunned elements in Lebanon such as General Aoun and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Maronite patriarch Butros Sfeir. The most important change, however, was a dramatic improvement in relations with the major non-Arab states in the region, Iran and Israel, and a corresponding coolness in ties with traditionally close Soviet allies in the Arab world.

Soviet leaders had tried to cultivate Iranian goodwill since the overthrow of the shah, usually without much success. In 1988 the Soviet refusal to endorse an arms embargo and the decision to withdraw from Afghanistan apparently removed the major source of Iranian suspicion. In January 1989 Khomeini sent a highly publicized letter to President Mikhail Gorbachev, urging him to acknowledge the failure of communism and to undertake a serious study of Islam. Whatever its spiritual impact may have been, that letter paved the way for a series of high-level contacts, including Shevardnadze's meeting with Khomeini in February, the first audience granted by the Iranian leader to any foreign minister. There was also a steady expansion of commercial and technological relations, culminating at the end of June in Rafsanjani's visit to Moscow, where he negotiated a package of economic cooperation agreements valued at $15 billion and secured a Soviet commitment to supply weapons and assistance for Iranian military industries.

Not surprisingly, such developments were greeted with dismay in Baghdad, where strident criticism of Soviet behavior began to appear in the media. Soviet officials stressed that the rapprochement with Iran need not be at the expense of existing ties with Iraq. In fact, relations with both Persian Gulf powers were fully consistent with the "universality" principle in the Soviet Union's new thinking, particularly if the tensions between regional adversaries did not escalate into all-out war. Nevertheless, the fact that the Soviet Union had positioned itself in some ill-defined "middle ground" was a source of great concern to Iraq.

In the Arab-Israeli arena, the Soviet realignment did not produce quite the same result, but the rapprochement with Israel was in many ways even more dramatic, if only because the distance traveled was so much greater. Soviet spokesmen continued to insist that formal diplomatic ties could not be resumed until Israel agreed to negotiate with the PLO, either directly or in the framework of an international conference. But in every other respect, Soviet-Israeli relations were normalized in 1989: High-level political consultations took place

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

on a regular basis and several Israeli ministers were invited to Moscow; numerous economic and technological agreements were signed; Jewish immigration to Israel increased significantly; tourists traveled back and forth in growing numbers; and exchanges of academic, cultural and sports delegations became so routine that they hardly attracted any notice. Soviet policy in the past came under increasing domestic criticism as one-sided and stolid, and the Soviet media began to provide more sympathetic coverage of Israel, to the point where Arab journalists in Moscow felt obliged to lodge a public protest.

The Soviet Union continued to support a settlement involving the creation of a Palestinian state, and it continued to insist that such a settlement could be reached through negotiations with the PLO, but Soviet diplomacy increasingly took account of Israeli concerns. Abandoning the ritual condemnations of the past, Soviet officials expressed a desire to discuss Israeli counterproposals while ending their knee-jerk endorsement of every PLO position. In May they voted against the PLO's admission to the World Health Organization; in October they abstained on the Arab motion to reject Israel's credentials in the U.N. General Assembly; and in November they refused to support the upgrading of the PLO's status at the United Nations to that of observer-state.

Policy differences also strained relations with Syria, the most important Soviet ally in the Middle East over the previous decade. On several occasions, Soviet officials made it clear that they would not support Syria's quest for "strategic parity," that arms would be supplied selectively and on essentially commercial terms, that the conflict could only be resolved by political means (which meant accommodating Israeli security requirements), and that the Soviet Union endorsed the measures taken by President Assad's arch rival, Arafat. Syrian media protested (perhaps too much) that the Soviet Union remained an unshakable ally. In fact, visits by Soviet high-level military personnel (including Defense Minister Dmitri Yazov) indicated that policy differences did not mean a crisis in Soviet-Syrian relations. Nevertheless, there were persistent rumors that Assad was distinctly uncomfortable with the Soviet new thinking in the Middle East; a planned visit to Moscow was postponed in October and had not taken place by the end of the year.

All of these changes reflected a Soviet conviction that past support of militarized, radical regimes had been misguided,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

expensive and counterproductive. New thinking, of course, did not imply a retreat into isolationism; on the contrary, Soviet diplomacy became even more energetic. Rather than treating regional conflicts, here and elsewhere, as an opportunity to enhance Soviet influence, the Soviet leadership had apparently concluded that those conflicts were dangerous irritants on the Soviet-American agenda, which should be removed through political settlement.

There were, of course, serious limits on the Soviet ability to contribute to such an outcome. As a resource-constrained power, the Soviet Union had little to offer in the way of economic or technological inducements; its leverage was primarily negative, by withholding assistance to local parties trying to subvert conflict resolution either through violence or rigid insistence on "unrealistic" conditions. Indeed, for all of its diplomatic activism, the Soviet Union was increasingly viewed by many in the region through an American prism, i.e., as an instrument of indirect pressure on the "real" superpower—the United States.[5] But even in that context, the Soviet new thinking created at least a basis for productive Soviet-American cooperation on the Middle East.

VI

Ultimately, of course, the resolution of conflicts in the Middle East remained the responsibility of the local belligerents; there were no imaginable circumstances in which the superpowers, alone or together, could impose (much less sustain) a political settlement unacceptable to regional actors. At the same time developments in 1989 confirmed that those actors lacked the will, the power or the imagination to settle their conflicts without outside help. As long as those conflicts persist, it is virtually impossible to address structural and socio-economic problems of potentially catastrophic proportions.

In many Middle Eastern countries, population growth rates constantly intensify the pressure on already inadequate labor markets, urban infrastructures and even water supplies. Barring some reversal of those trends, the riots in Algeria and Jordan and the contretemps between Iraq and Egypt may be

[5] See, for example, *Al-Bayader al-Siyassi*, which advocates a concerted Arab diplomatic campaign aimed at getting the Soviet Union, China, France and Britain to influence the American government. *Al-Bayader al-Siyassi*, Jerusalem, Sept. 30, 1989.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

harbingers of a general, sustained, vicious resource competition within and among states increasingly armed with long-range delivery systems and unconventional weapons of mass destruction. Moreover, if the suffering in that competition makes the allure of secular or religious radicalism irresistible, then the environment for foreign investment, already uncongenial, will become repulsive, and the prospects for democracy will disappear.

Awareness of those problems is already keen. Nevertheless old thinking about old conflicts continues to divert attention and resources and hamper regional cooperation and integration, thus crippling any chance of dealing effectively with the human condition in the Middle East. Even if conflicts in the region do not threaten the peace of the world, there is therefore reason enough for the United States, still the foremost world power, to help the Middle East embrace the logic of global change.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Shafiqul Islam

CAPITALISM IN CONFLICT

Future historians may choose 1989 as the year the cold war between capitalism and communism ended and a new conflict began within capitalism. They may argue that it was in 1989 that America and the West turned from containing the Soviet Union to containing Japan. The new conflict arises from three historic shifts that have shaken the foundations of the postwar world: America's relative economic decline, the rising economic power of Japan, and the decline of the West's old common enemy of communism. Indeed, it is the dissolution of this threat that is sowing the seeds of a capitalist cold war.

If the old cold war was a competition driven by the race for military superiority, the quest for economic and technological domination will propel the new competition. The meteoric rise of Japan has made America increasingly insecure. What drives America to contain Japan, however, is not so much Japan's economic ascendance, but the failure of American leadership, which feeds national insecurity and xenophobia.

II

Few economic developments have generated as much raw emotion and intellectual confusion as the U.S. trade deficit that turned America almost overnight into the world's largest capital importer and debtor. One widely shared concern is that America's debtor status and dependence on capital from abroad have put the nation increasingly at the mercy of foreigners. America, it is argued, has lost its independence.

In particular many observers fear that foreign, and especially Japanese, investors who are now eagerly financing America's deficits will someday suddenly get nervous and pull out, causing a crash of the financial markets and a "hard landing" for the economy. These anxieties ignore a fundamental fact: In an increasingly interdependent world dominated by global market forces, an open economy with two-way

---

Shafiqul Islam is Senior Fellow for International Finance at the Council on Foreign Relations.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

capital flows (whether in deficit or in surplus) is vulnerable to the actions of foreign and domestic investors alike.

If Japanese investors lose confidence in the dollar, so will American investors—indeed, it is American investors who may lose confidence first. Market confidence does not respect national boundaries; a sudden collapse of confidence in the dollar would be worldwide. Foreign and U.S. investors would not act very differently. Both would attempt to shift out of dollar-denominated U.S. assets. Thus, capital withdrawal by foreigners will be accompanied by capital flight by Americans, or vice versa.

That is what happened during the dollar crises of 1970–73 and 1977–78, when America was the world's largest creditor country. Both episodes were characterized by American capital flight more than by foreign capital withdrawal. More recently, in October 1987, U.S. investors panicked and sold off American stocks, while Japanese investors remained net buyers. Thus during that debacle, Americans pulled the plug, not the Japanese.

Moreover, in 1986 and 1987 when the dollar came under sudden heavy selling pressures, Japan played a critical role in slowing its decline. In addition to large dollar purchases by the Bank of Japan to rescue the dollar from its occasional bouts of free fall, the Ministry of Finance used frequent moral suasion, and, in May 1987, even implicit capital controls to discourage Japanese financial institutions from joining the "dump the dollar" bandwagon.

Ironically, as it was injecting stability into U.S. financial markets, Japan also suffered a stock market crash in October 1987, and largely because American and other foreigners engaged in a frenzy of dumping yen securities. Thus Japan, as the world's largest creditor and a financial superpower itself, proved to be just as vulnerable to foreign influence as the United States, the world's largest debtor, is feared to be.

While the trade deficit and debtor status are not likely to threaten national security in the near future, they are already doing something much more worrisome—nourishing America's national insecurity. As a result, jingoism is on the rise. This growing national insecurity has already begun to shape U.S. economic policy in key areas: international trade, foreign direct investment, burden-sharing, Third World debt and the future of international financial institutions. In all these areas, the foreign capitalist nation that Americans seem to fear and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

resent most, and that therefore consumes most energy and attention of policymakers, is undoubtedly Japan.

III

As its trade deficits persist, the United States is gradually shifting from being the world's champion of multilateral free trade to one of its leading challengers. The response to a Congress searching in foreign lands for solutions to America's failures has been what U.S. Trade Representative Carla Hills calls the "crowbar." This crowbar, however, is not so much prying open closed markets as it is tearing apart the concept of multilateralism, and thus threatening the survival of the General Agreement on Tariffs and Trade (GATT) itself.

The irony of U.S. trade policy of the 1980s is that President Reagan, the postwar chief executive with the most passionate love of laissez faire, presided over the greatest swing toward protectionism since the 1930s. That tilt began even before Reagan's free-trade approach to the currency markets and a swollen dollar forced him to abandon a free-trade approach to the goods markets. Less than six months into his presidency, Reagan's trade representative forced Japan to "voluntarily restrain" automobile exports. A few months before Reagan's reelection in 1984, Japan was forced to voluntarily restrain textile exports to the United States as well. Those restraints remained in effect during Reagan's second term and his administration also initiated additional voluntary restraints on imports of steel and machine tools.

Finally in July 1986 Japan agreed to increase the share of U.S. semiconductors in its market to avoid American antidumping duties. This event was a watershed that marked a move from American reliance solely on restricting foreign imports to an enhanced approach that also included "affirmative action" for U.S. exports. Thus, the seeds of the late 1980s' version of "managed trade" were planted.

Japan escaped the antidumping duties in 1986, but ended up with tariffs a year later for violating the agreement on semiconductors; in April 1987 President Reagan imposed retaliatory tariffs on some Japanese imports. Thus Reagan earned the dubious distinction of being the first postwar president to impose economic sanctions on Japan. During his last year in office, Reagan moved further toward the new strategy of export protection by signing the Omnibus Trade and Competitive Act of 1988. His trade representative, mean-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

while, diligently pursued old attacks on imports: quotas on textiles and apparel from China and Mexico and steel from several other countries; antidumping and countervailing duties against Japan, Canada, Singapore, South Korea and the Netherlands; and economic sanctions against Brazil and Japan. By the time President Reagan left office, the share of imports entering protected American markets had doubled from 12 percent to 24 percent.

The Bush Administration now is trying to create a new balance between free trade and managed trade by giving more weight to the latter. Within managed trade the new administration is also changing the balance of import restriction to export protection, with the latter aggressively pursued.

A three-track approach is used to achieve these new objectives. In areas where it believes the United States has a solid comparative advantage—agriculture, services, direct investment and intellectual property rights—the Bush Administration is still using a multilateral approach to trade negotiations under the GATT's Uruguay round. When it comes to specific sectoral interests—mostly in manufacturing, high-tech or low-tech—the administration is using a unilateral approach. Finally, the overall trade policy seems to be guided increasingly by "bloc-ism" and bilateralism.

Washington's pursuit of bloc-ism and bilateralism is only encouraging others to do the same. The free-trade agreement with Canada has raised talk of a similar agreement with Mexico and even Japan. It also has raised the specter of a "Fortress North America," forcing other nations to seek desperately to breach its ramparts or build their own somewhere else. America's trade posture has hastened the efforts of Japan and South Korea in the north, Australia and New Zealand in the south, to move toward constructing a Pacific bloc by enlarging the existing Association of Southeast Asian Nations into the Asia-Pacific Economic Cooperation. The Bush Administration has shown great interest in developing and participating in such a bloc. It proposed a "new Pacific partnership," and sent three top cabinet members to the new organization's November meeting in Canberra, Australia. The United States would be used by such a bloc as a buffer against feared Japanese domination, and the Asian partners would also use it as a gateway into a North American fortress.

Unilateralism is also increasingly shaping U.S. policy on both import restriction and export protection, and is directed

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

mostly toward Japan. The Reagan Administration succeeded in moving U.S. trade negotiations with Japan from a "process oriented" policy to one that is "results oriented." Thus the earlier laundry-list approach and the later priority-list approach (such as the market-oriented sector-specific process) have been transformed into a policy of forcing Japan to participate in a bilateral cartel, the 1986 semiconductor agreement for instance.

The Bush Administration now is taking unilateralism a step further: a results-oriented policy aimed at fighting unfair foreign—read "Japanese"—trade practices. Its tools to implement this policy are the twin sticks of "aggressive reciprocity" and "retaliatory Super 301." To avoid being hit too hard, the Japanese government is coming up with numerous ideas to promote imports, the latest being the Ministry of Industry and Trade's plan to offer Japanese companies tax deductions on their imports.

The latest U.S. policy invention tailored for Japan is the so-called Structural Impediments Initiatives talks. Among other things, these talks seek to have the Japanese adopt Western, or more precisely, Anglo-Saxon, values and habits: saving less, eliminating inefficient mom-and-pop stores and breaking down long-term relationships among various business groups. Washington believes removal of these "structural impediments" will open Japanese markets to American businesses and reduce the trade deficit with Japan. Congress wants results by March 1990.

Leery of adverse domestic reaction to yet another round of unilateral U.S. pressure, the Japanese government is using the talks to demand that the United States adopt a set of "Eastern" values to enhance American competitiveness. Save and invest more, Japan is telling the United States, discourage corporations from pursuing short-term profits, encourage them to improve commercial application of available research and technology, and spend more resources on training and education of the workforce.

This approach, however, has had little success in tempering their domestic backlash to the mounting U.S. pressure. Japanese public opinion is increasingly turning anti-American, and the mood is one of growing resentment, frustration and contempt. America's posture is also strengthening the hand of the rightist admirers of Imperial Japan and the reactionary advocates of militaristic nationalism. Japanese reactionaries, in

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

turn, have only reinforced American enthusiasm for opening Japanese markets with aggressive reciprocity and managed trade. These policies are gaining ground in the United States among academic economists, liberal think-tank analysts and prominent statesmen, thus giving Congress the intellectual ammunition it needs to push the administration further down the pernicious path of protectionism.

IV

Advocates of managed trade with Japan essentially argue that Japan is not a typical liberal democratic capitalist country with respect for the principles of free trade. "Fair trade," these critics argue, is also not possible because Japan is intrinsically unfair, or its notion of fairness is simply different from that prevailing in the Western capitalist democracies. While numerous arguments are used to support this position, two in particular are normally put forward.

First, it is argued that the dollar's fall, the yen's rise and Japan's macroeconomic stimulus have done little to reduce the U.S. trade deficit, the Japanese trade surplus and, more critical, the U.S. bilateral deficit with Japan. Second, the failure of macroeconomics to reduce the trade imbalances is no surprise because the problem is structural and cultural: Japan keeps its markets closed through various unfair trade practices, and its economy does not respond to exchange-rate changes and usual market forces.

The view that exchange-rate changes have done little to affect the pattern of trade and trade imbalances is widely held—and wildly wrong. Facts simply do not support such assertions as: "Almost four years after the radical corrective step of *endaka* [strong yen], Japan's trade is becoming more unbalanced, not less."[1] During the three years from 1986 through 1988:

—Japan's volume of merchandise exports recorded the slowest growth among the Group of Seven (G-7) leading industrial countries, 1.5 percent per year, while U.S. growth was the fastest, at nearly 15 percent. In 1988, the dollar value of U.S. exports soared 30 percent, and the portion going to Japan surged to 34 percent.

—The annual growth in Japan's volume of merchandise imports was the highest among the G-7 countries, at 12

[1] James Fallows, "Containing Japan," *The Atlantic Monthly,* May 1989, p. 44.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

percent per year. Its imports of all manufactures soared 22 percent, again by far the highest rate within the G-7. By 1987, Japan already was importing more manufactures from America than West Germany and France combined, and its purchase of U.S. manufactures jumped by 35 percent in 1988.

As a result of these shifts in trade patterns, Japan's trade surplus narrowed to three percent of GNP in 1989 from its 1986 peak of 4.8 percent. The U.S. trade deficit took longer to respond to market forces. It seems to have fallen last year to two percent of GNP from its 1987 peak of 3.5 percent. In dollar terms, the U.S. trade deficit narrowed in 1988 for the first time in the decade, dropping nearly $35 billion to total $125 billion, and appears to have declined further last year to about $115 billion.

What drives Washington's trade politics, however, is not the overall trade and current account balances, but the U.S. bilateral trade deficit with Japan measured in dollars. This deficit has narrowed little from the 1986 level of $55 billion. What is the reason for the apparent stubbornness of this deficit?

The answer lies not in any invisible Japanese unfairness, but largely in the arithmetic of adjusting a large initial imbalance. With total U.S. exports in 1986 one-third the total of imports, exports needed to grow more than three times as fast as imports to narrow the deficit. Even if U.S. exports grew twice as fast, the trade deficit still would have widened. In 1987 American exports to Japan grew faster than imports, but not fast enough to prevent a further widening of the deficit. In 1988, however, U.S. exports did rise more than three times as fast as imports, and the trade deficit fell.

American exports to Japan also rose faster than exports to Western Europe, 35 percent versus 25 percent, and yet the deficit with Western Europe fell by $13 billion while the deficit with Japan fell by only $5 billion. Why? Largely because the 1987 U.S. deficit with Japan was much larger than the deficit with Europe. The deficit with Japan required an even faster growth in U.S. exports to achieve a reduction similar to the deficit reduction with Europe. A 35-percent growth in U.S. exports to Japan simply was not enough.

The apparent refusal of this bilateral deficit to decline significantly has convinced many that exchange-rate changes and market forces do not work when it comes to trade with

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Japan. In 1987, however, the United States ran a $110-billion trade deficit with countries other than Japan. The United States had a trade surplus with these countries, except for the OPEC nations, in the beginning of the 1980s. The conclusion should be clear: The U.S. trade deficit is mostly made in America.

Washington also fails to distinguish the issue of market access in Japan from that of reducing the U.S. deficit. While there are areas where Japan can and should open its markets, American access to those markets may have little effect on the trade deficit with Japan. During the 1980s, Japan opened its markets more than any other G-7 country, and yet it has experienced the biggest trade surpluses in its history. America, meanwhile, closed its markets more than at any other time in the postwar period, and yet could not prevent the largest trade deficits of the century.

Unfair trade practices and protectionist barriers to imports have little medium-term influence on a nation's overall trade balance. But Washington's blame-thy-neighbor policy prevents it from recognizing the obvious about Japan. A country that imports more goods from America than any other except Canada; that purchases more U.S. manufactures than West Germany and France combined; whose imports grew faster than those of America in the 1960s (18 percent versus eight percent), at the same rate as America in the 1970s (seven percent) and for the last three years at the highest rate of any G-7 country cannot, by definition, have closed markets. By contrast, a country moving toward managed trade is surely closing its markets—and apparently its mind.

v

Many Americans also worry about the recent surge in Japanese direct investment. As Japanese investors acquire and establish plants, and buy prized pieces of real estate at an accelerating rate, American anxiety grows. The complaint in this case is not that the Japanese have too little liking for American goods, but that they have too much love for American assets. The media obsession with the Japanese acquisition of, or equity stakes in, big-name U.S. companies, banks and buildings prevents it from providing some basic facts and a more balanced picture.

Japan has so far bought very little of America—$50 billion by the end of 1988 in one count, but certainly no more than $100 billion, of corporate assets totaling $7.9 trillion. Japan

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

only owns half as much in the United States as Britain, and the British have invested much more heavily and aggressively than the Japanese. In 1980 America owned more of Japan than Japan owned here. In manufacturing investment, the balance did not shift against the United States until 1987. Even last year, Japan made net payments to American investors as they earned higher profits there than the Japanese did in America.

Another myth is that while Japan is allowed to invest freely in the United States, Americans are kept from doing the same there. Facts tell a different story. The Japanese government used to be more restrictive, but did not do a great job keeping out Americans. Until 1981 America had more investment in Japan than Japan had here. Once Japanese investment laws relaxed, however, market forces themselves put up a new barrier: price. Japanese assets are no longer cheap. Even now foreign investors are rushing to Japan. In 1988 alone, foreigners established, joined and to a lesser extent acquired 355 companies per month in Japan; Americans did so at a rate of 55 companies per month.

Finally, there is the tension over burden-sharing. While other NATO allies suffer some criticism, once again the main target is Japan. Japan is accused of free riding to economic supremacy on the back of an America overstretched by the double burden of defending the free world and developing the Third World.

Last year, however, Japan pledged to pick up the lion's share in "the mini-Marshall plan" for the Philippines, and to add $35 billion to its earlier, and almost completed, $30-billion external surplus recycling plan. Yet in November President Bush signed burden-sharing legislation that calls on Tokyo to boost its foreign aid and military spending to a share of GNP equal to the NATO average by 1992, to channel aid to those areas of the Third World where the United States has foreign-policy interests, and to provide 100 percent, as opposed to the current 40 percent, of the direct costs of maintaining U.S. military bases in Japan.

Such dicta can only threaten, not promote, global stability and prosperity. Japan now spends only 0.3 percent of its GNP on foreign aid, but already has replaced the United States as the world's top donor nation. The average NATO burden for aid and defense is likely to be around three percent of GNP by 1992. As Japan spends one percent of its GNP on defense, it in effect is being asked to spend two percent of GNP on foreign

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

aid, or $80 billion by 1992. Last year, all donor governments combined spent less than $50 billion. Even if Japan could come up with the money, it is unlikely that developing countries could effectively utilize such a sudden surge in resources.

VI

American leaders have complicated Japan's efforts to increase its share of the burden in two other related areas: Third World debt and international financial institutions, notably the World Bank and the International Monetary Fund. For more than six years the U.S. government tried to solve the debt problem by forcing the savings-poor, overindebted countries to service their debts fully by doling out their savings and going deeper into debt. Last year, however, Washington finally accepted the idea that countries that have too much debt need to reduce their debt, not increase it. In March, Treasury Secretary Nicholas Brady announced a plan to have commercial banks "voluntarily" reduce their old loans and offer debtors new money. In return, creditor governments and international institutions would partially guarantee the restructured old claims of those debtors who reformed along IMF guidelines. While the plan represented a step in the right direction, its flaws—some of which are increasingly proving to be fatal—resulted from operational details carefully crafted to avoid an unsympathetic Congress, and to shift the full financial burden of the plan to the international financial institutions and Japan.

The countries eligible for debt reduction include Venezuela, the Philippines, Costa Rica and Mexico. With the debt problem entering its second decade, three of those four countries so far have signed agreements with the banks. Mexico, the front runner that was supposed to benefit most from the Brady Plan, was forced to sign on for marginal debt reduction, and is still waiting for the agreement to translate into financial relief. Venezuela, the country that influenced the timing of the Brady Plan with deadly riots against its economic austerity program, is yet to sign an agreement. Thus even under the Brady Plan, Washington continues to do its part to transform a short-term crisis of finance into a long-term crisis of development.

This crisis weakens not only the Third World, but also the financial integrity and policy effectiveness of the international financial institutions. Washington's budget deficit, meanwhile, has made the United States—the only nation with veto power

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

in those institutions—a political leader in financial arrears. That deficit also has prevented Japan from assuming a greater role in the international institutions. The refusal of Congress to appropriate new funds for an overdue increase in IMF quotas prevents Japan from becoming that institution's second largest financial backer; it is currently the fifth. Japan has been the only country to offer money for the Brady Plan, and has allocated more money for the plan than the IMF itself. The United States, on the other hand, has yet to put up one cent.

Thus while Washington accuses Japan of unfair trade practices, it seems that the United States is engaging in unfair leadership practices. The irony is that as American budget politics effectively prevent Japan from assuming a greater share of the burden in places where it should, Washington insists Japan raise its share in places where it should not.

VII

The foregoing leads to a simple conclusion: America's "Japan problem" is not the trade deficit, or direct investment, or burden sharing, but the economic ascendance of Japan at a time when America has lost confidence in its ability to compete on a level playing field. This loss of self-confidence and the failures of American leadership have produced a national insecurity that is being translated into a hostile rhetoric, and, too often, absurd policies.

America's role in the post-cold war world threatens to become dangerously destabilizing if this insecurity continues to influence the formulation of U.S. economic and foreign policy. Nothing could threaten global peace and prosperity more than the attempts of an increasingly insecure America, still the world's number one economic and military superpower, to contain the economic ascendance of a militarily and politically vulnerable Japan.

The most effective antidote to such a temptation is the economic renewal of America. This renewal must be motivated by the desire to become the senior leader in a new age, to work against the forces of instability and to look for new partnerships in the changed architecture of the globe. But America's economic health cannot be restored if its leaders cast wary stares across the Pacific and fail to see the economic problems arising within their own borders.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Gregory F. Treverton

THE DEFENSE DEBATE

For defense issues, as for foreign affairs in general, 1989 was a curious time. The year began with the defense debate that wasn't and ended with the debate that was, with visions of a "peace dividend" dancing before Washington's eyes. In between, it was business as usual at both ends of Pennsylvania Avenue. The Bush team tinkered at the edges; Congress indulged in its own intramural politics, and the defense budget was caught squarely in the middle.

Defense strategizing flourished as a cottage industry during the transition between the Reagan and Bush administrations. Budget deficits, and fears that much of what the Pentagon had already ordered could not be paid for, left the sense that the Reagan Administration had too long deferred essential choices about military strategy. Faced with a Chinese menu of choices, the old administration had opted for them all; then when money tightened after 1985 it just stretched out the courses.

Yet what money—or the lack thereof—could not accomplish in President Bush's first year, a slackening geopolitical threat will do in the second. The string of incredible events in Eastern Europe has only given credibility to U.S. intelligence estimates of a less menacing Soviet Union. The reduced Soviet threat, combined with pressure from budgeteers, prompted Secretary of Defense Dick Cheney to try to head off the defense debate for 1991. The Pentagon was told to plan for a budget cut by several percent and to look for continued savings—as much as $180 billion during 1992–94.[1]

In the coming year, the politics of the debate will be sharper all around. Cheney's dramatic cuts merely trimmed earlier hopes, not current budgets. For the next several years the "peace dividend" will be much smaller than enthusiasts hope, and earning it will require departures from customary congressional habits. To arrive a decade from now at a defense budget half the current size will require radical restructuring

[1] Yearly budgets are for fiscal years, and values, unless otherwise indicated, are in 1989 dollars.

Gregory F. Treverton is a Senior Fellow and Director of the Europe-America Project at the Council on Foreign Relations.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

of the military. America must now address the awkward question of how to organize its defense if deprived of the Soviet threat that has driven it for forty years.

II

President Reagan's unprecedented peacetime military buildup ended in 1985; budgets have been declining in real terms since. Real spending is about half again larger now than in 1978 and about equal to the peak of spending during the Vietnam War in 1968. As a portion of GNP, defense spending rose from under five percent in 1978 to more than seven percent in 1985; it is over five percent now, but has never neared the postwar peaks reached in the mid-1950s and the late 1960s.

Even as budgets declined, however, the Pentagon went on projecting optimism. The first Bush budget, that for 1990, emerged from Congress as a one-percent decrease in real terms from 1989. Yet Pentagon planning at the time still assumed increases above inflation of 2.3 percent, one percent, two percent, and two percent for the years 1991–1994, respectively.

The cries of pain from recent declines in military spending have not been more audible partly because the checks the United States actually wrote for defense—outlays, in budget language—turned downwards only starting in 1988. The buildup gave pride of place to new weaponry, whose share of the budget (including military construction) grew to 48 percent from 38 percent. But money appropriated in one year for a new weapon is not all spent that year, causing actual spending to lag behind appropriations as the budget grows and declines—the "stern wave" in Pentagonese.

That stern wave now constrains budget-cutters. By 1987 as much as 40 percent of the total budget was set aside for weapons contracted in previous years. Add to that about 45 percent of the budget reserved for salaries and pensions. The result is a budget cluttered by commitments past and present, leaving little room for maneuver. Any deep reductions in spending, therefore, will require cutting personnel or canceling contracts, not very attractive alternatives either financially or politically.

Given the emphasis on weaponry, the forces themselves did not grow much during the buildup, except for the navy. The United States has about the same number of weapons as a decade ago, but of much higher technology and per-unit cost.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Taxpayers seem to be paying more and more for the same, but the pattern can be fairly seen as a reflection of the deep, if implicit, preferences of the services. Given a choice between more but cheaper or fewer but more costly and advanced, the latter wins almost every time. This preference creates its own stern wave. Despite the hopes of a decade ago, the rule is the more advanced the weapon, the more expensive it is to operate.

President Reagan achieved two of his grand budgetary aims: Defense spending grew and discretionary domestic spending declined. Domestic spending did not decline absolutely, but relatively, from nearly six percent of GNP in 1980 to under four percent in 1988. Entitlements like Social Security and other mandatory spending have not changed much over the last decade, hovering around ten percent of GNP. As the deficits have mounted, servicing the debt also has constrained spending choices; interest consumed 1.5 percent of GNP in 1978 but twice that in 1988.

The budget deficit for fiscal year 1989 was about $160 billion, or about three percent of GNP, half the proportion for 1983. Depending on what one wants to prove, it thus can be seen as still a very large number or as much smaller than it was, and judged accordingly. Many analysts still exhort the president and Congress to attack the deficit, raising taxes if need be. Those making best-case arguments make clear that, contrary to popular images, the medicine need not be all that painful; the prescription is not for belt-tightening, just for several years of no new loosening.[2] President Bush, however, has not taken that advice; "no new taxes" has become the glue for the Republican coalition. He means to let the deficit take care of itself. If he is lucky and makes it through his first term without a recession, his hopes may come true. In a second term there would be more money to spend, all the more if defense can be cut deeply.

III

The timing and theatrics of the presidential transition in 1989 frustrated a debate on defense. Reagan's team presented the budget for 1990 two weeks before Bush's inauguration. The new administration thus found itself with limited room for maneuver. Then Bush's first choice for secretary of de-

[2] For instance, Francis M. Bator, "Must We Retrench?" *Foreign Affairs*, Spring 1989.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

fense, John Tower, hung in limbo for weeks. When Secretary Cheney finally arrived, he had lost valuable time. If the budget process were not to be brutalized completely, he had to submit his revision almost immediately, well before much of his team had even run the gauntlet of White House clearance and congressional confirmation.

The timing of the budget put the lie to any pretense that major defense choices might be propelled by the new administration's National Strategy Review 12; that review was far from complete when the revised budget was submitted in April. In any event, the review was not meant to presage sweeping change. The president himself wrote of it: "I don't expect this to invent a new strategy for a new world." It did not. In fact, the watchwords of the review—"containment plus"—sounded like a call to increase defense spending rather than to cut it.

When Secretary Cheney finally did make choices on defense, Congress responded in its usual way, saying it preferred other choices. Cheney proposed that $10 billion (roughly what the Benelux countries spend per year on defense) be cut from the Reagan request for 1990, to $296 billion from $306 billion, a one-percent decline in real terms from 1989. He called for clear decisions on weapons, trying to stanch the usual temptations to defer or stretch out procurement, but made relatively few such decisions himself.

If there was an underlying strategy to Cheney's proposal this year, it favored strategic programs. He continued all of them—the small new Midgetman ICBM, the MX missile in the so-called rail garrison basing, and the B-2 Stealth bomber—though in reduced portions. His proposed funding for the Strategic Defense Initiative (SDI), though less than Reagan's, still was a fifth larger than in 1989.

What changes Congress then made were driven mostly by money constraints and constituency politics, all the more so because the new administration's decisions were not convincing in broad strategic terms. For instance, support for the B-2 bomber collapsed when members began to ask not whether it was needed, but only whether it could be afforded and whether it would work. When Congress learned, allegedly for the first time, in September 1988 what each bomber would cost, legislators were aghast. The cost of the program, over $8 billion per year in the early 1990s, was more than the entire defense budget of any Warsaw Pact nation save the Soviet

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Union and East Germany. The B-2 seemed the result of a too hasty strategic buildup by the Reagan Administration.

The Senate Armed Services Committee, led by Senator Sam Nunn (D-Ga.), was inclined to defer to the president. Its House counterpart, chaired by Representative Les Aspin (D-Wis.), made more changes, pushing the budget in the direction of conventional forces. Aspin, less in control of his committee than Nunn, was tugged from right and left. In a coalition of convenience between the left, which opposed more money for nuclear weapons, and the right, which preferred the MX to the Midgetman, the House cut money for the latter entirely.

In conference, the two houses shaved their differences over strategic programs in favor of the Senate's plan, and hence moved closer to the administration. SDI took its first budget cut, but still was authorized $3.8 billion. For all the shock of the B-2's cost, it was allocated $4.3 billion, about midway between what the administration wanted and what the House voted—evidence for the aphorism that presidents get the strategic weapons they want, with subcontracts in many districts playing a supporting role.

At the same time, the administration and Congress traded accusations over responsibility for the logjam in strategic arms control. The administration argued that congressional reductions in strategic weapons would undercut its bargaining hand in Strategic Arms Reductions Talks (START). Meanwhile members of Congress, especially Democrats, said they needed clear guidance from the president about which systems to protect.

Congressional politics muddied what few clear decisions Secretary Cheney made on conventional weapons. The House restored one year's funding for the navy's F-14D, whose production the administration proposed to end. Both houses restored money for the one new weapons start Cheney proposed to eliminate, the V-22 Osprey tilt-rotor transport for the marines. Those restorations were testimony to the difficulty of eliminating weapons whose contracts, hence jobs, are spread across key congressional districts.

Most of the arguing was over weapons, and the forces themselves were only trimmed. Each of the services is to shrink by a few thousand people. Congress reduced the ceiling on American forces in Europe by 14,500, the number manning the Pershing II and cruise missiles withdrawn under the Intermediate-range Nuclear Forces (INF) Treaty. The army is to remain the same size at 18 divisions, ten heavy and eight

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

light. One of 15 navy carrier battle groups, the *Coral Sea*, will be withdrawn, and the air force had already decided in 1988 to reduce from 37 to 35 wings.

IV

Most of 1989 meant business as usual among the military branches, trimming here and there while hoping for better in the future. Pentagon reform aroused one set of hopes, Mikhail Gorbachev and arms control another, grander set. Judging from the past, however, neither reform nor arms control will save money, not soon anyway. But again, Gorbachev and present events in Eastern Europe may not respect past form.

Saving money through reform is a cherished quixotism. For example, closing redundant bases should have been a way to save billions of dollars. However the Pentagon's recent Base Closure Commission produced savings of much less, about half a billion dollars per year, and none to be realized soon. The commission was to serve as a hand-tying device, but domestic politics inhibited reform nonetheless. No member of Congress, whatever his views on defense, likes to lose a base from his district. The services know that, and when asked for major reductions, they—being no fools—naturally propose large base cuts. Moreover, major savings from base closings can ensue only if the forces occupying the bases are taken out of service, not simply moved elsewhere.

The nation is far from achieving the requirements for reform: providing stability by budgeting for defense in at least two-year cycles, committing to major procurements for more than one year at a time, dramatically reducing time and paperwork needed to develop and produce a new weapon (now 8–12 years), introducing more modern manufacturing technology and investment incentive into the defense industry, and using cost competition more judiciously. Quality suppliers with proven track records deserve precedence over those who are skillful at "buying in" or who provide shoddy products cheaply.

The United States spends upward of $100 billion on new weapons and equipment, and unquestionably much of this money is spent poorly. Reagan's last secretary of defense, Frank Carlucci, estimated that $15 billion per year could be saved by reform, and his undersecretary for acquisition put the figure two to three times higher. The Cheney Pentagon has built on the reforms outlined by the Packard commission

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

in 1985. For instance, after Congress created an undersecretary of defense for acquisition, the Reagan Pentagon left power dispersed to the services and the new undersecretary powerless. Cheney's management review, by contrast, sought to make the service secretaries accountable to the undersecretary on procurement issues.

The impediments to reform are legendary, however, and it is tempting to dismiss entirely the prospect of real reform of the system. Certainly reform will not save much money in the short run, and in many ways, the current process is seriously obsolete. The reforms needed are thus basic and sweeping, and must run to the very culture of our system.

It is also tempting to suspect that politicians and the public like this system the way it is. The nation pursues social policies through the defense budget, for reasons that are more sensible than the results they produce. If a weapon is to be built at all, then Congress prefers it be built everywhere, even if the cost is higher. What this system implies is a preference for accountability over efficiency, and the two often conflict. Thus the first response to revelations about a thousand-dollar toilet seat is new layers of oversight and paperwork that virtually ensure the next toilet seat will cost even more.

Moreover, the obstacles to reforming procurement are a part of the larger obstacles to military reform in general. The military services are powerful institutions, tightly linked to supporters in Congress and society. Those institutions do some things well. What they do not do well, however, is to cooperate closely with one another—in operations or in buying weapons. In one attempt after another since the services were joined in the Department of Defense in 1947, the nation has sought more unified military assessment and action, and less reflection of parochial interests. The Goldwater-Nichols reorganization of 1986, which created the undersecretary for acquisition, is the most recent example, but in procurement policies the verdict is not yet in.

History also counsels caution about the other set of hopes, reducing defense costs through arms control. Arms control does not save money, and often it costs money. New systems sometimes are justified as compensation for those withdrawn, making new spending the price of treaty ratification. For instance, while nuclear forces consume only a small part of the defense budget, a START treaty like the one now under negotiation could save $2 billion in the short run, and much

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

more over time, by cutting warheads a third or more. Yet the long-term savings would depend on what was thought necessary in the wake of the agreement. If, for instance, it then were deemed safe to reduce SDI to, say, an annual billion-dollar research program, several billion dollars could be saved quickly. On the other hand, an agreement whose ratification heightened concern over the vulnerability of land-based missiles might actually cost money, if the treaty's price were accelerating deployments of mobile missiles.

Hopes for a peace dividend notwithstanding, the direct savings from conventional arms control will be slight. President Bush's Conventional Forces in Europe (CFE) proposals, which call for a cut of 30,000 American troops from the present level of 305,000, would save at least $1 billion and perhaps several billion dollars per year, but only if the forces were then eliminated from the force structure.[3] Moreover, verifying compliance with the treaty will cost money, certainly a good deal more than the annual $150 million estimated for the INF treaty.

Over time, much more money would be saved if Bush's proposals were accepted and Warsaw Pact forces reduced to parity with NATO. NATO could reduce war reserve stocks, readiness, deep-strike capability and new weaponry in general, and move toward lighter infantry forces. These savings, however, would depend on reshaping American forces to reflect the reduced risk of a surprise attack, and so would not come soon.

V

The real hopes for reducing the American military thus emanate less from reform and arms control than from the 1989 developments in Eastern Europe and the policies of Gorbachev. The Soviet leader has begun some highly publicized troop withdrawals from Eastern Europe. He said Soviet defense spending would be cut, and the CIA believes it has been cut, from a whopping 15–17 percent of GNP to 14–16 percent. Much of Eastern Europe is at least equally eager to reduce its spending on defense.

As the countries of the East reform and open their systems,

[3] Much depends on assumptions about other savings that might accompany the cuts. The lower figure is a simple doubling of the Congressional Budget Office's estimate for the savings from withdrawing the INF treaty-related 15,000 troops, the higher based on other plausible assumptions.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

the idea of a massive Warsaw Pact attack through central Europe seems less credible, and a surprise attack appears all but incredible. This threat of attack has driven America's defense planning and dominated its budgets for forty years. By September, however, American intelligence was challenging the customary view that the United States could count on only a two-week warning for attack, suggesting it would have a month or longer.

Before the hopes of recent months, critics argued that the United States was "overstretched" and needed to reduce its foreign commitments or interests. But if it chose, the United States could afford its current defense expenditures and seriously address its budget deficit at the same time. Moreover, it is mistaken to argue, as is so often done, that there is or should be a direct correspondence between American commitments and its forces. The better question is the degree of risk the United States is willing to take that its commitments will be challenged.

Caution is appropriate for today's fond hopes for arms control or reform in the East because defense is one area of public policy where time horizons are, implicitly at least, long. Weapons chosen today will still be in service thirty years from now. Caution is all the more appropriate since there is still more talk of change than actual change in Soviet military deployments and outputs. There is, however, wide agreement that the immediate future will put less pressure on America's commitments. Eastern Europe aside, the United States will require military measures to deal with threats to its interests in the Third World, but Soviet influence is likely to loom less large there as well.

Over the long run any Soviet government will face the imperative of structural reform. Those in the United States who are pessimistic about Soviet domestic reform should be optimistic about the American military future; the longer reform is deferred, the sharper the choices facing Soviet leaders. Conversely, optimists about Soviet reform can be pessimistic about the American military; the more successful Soviet reforms, the more economic space it will have to sustain a large military.

Thus a cautious baseline for the future, one that bets hopes as well as fears, is to look for the following:

—a relative relaxation of pressure on American commitments in the short run;

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

—the improbable but not impossible reversal of the current course of reform in Eastern Europe and the Soviet Union;
—a sharply reduced need for military instruments to counter the Soviet threat, perhaps justified more by the consequences of reform in the Soviet system than by anything else.

VI

The year's dizzying events in Eastern Europe, plus the budget crunch, make a defense debate in 1991 inevitable. Hence a careful evaluation of current American military structure in light of constrained resources and changed climate is timely; it is also necessary to shape an American defense prepared to face an uncertain future, but a defense budget capable of being sustained.

The cautious approach to the future suggested above leads to a strategy for cutting American defense spending, one that commands support from defense professionals across several administrations—for instance, Lawrence Korb and John Lehman, who served the Reagan Pentagon, and William Kaufmann, who wrote posture statements for a half dozen defense secretaries.[4] For the next half decade, this strategy would limit cuts in U.S. forces themselves at the price of slowing the modernization of their weaponry and unbalancing their readiness.

This strategy turns around what became conventional wisdom after the "hollow army" debate of the 1970s. At that time, because of budget cuts from provisions, pay and perquisites, recruits were of low quality, skilled servicemen left the forces, and readiness and morale suffered for want of ammunition and spare parts. America's forces have rebounded over the last decade. To take just one indicator of their quality, 91 percent of army recruits had high school diplomas in 1987, in contrast to 49 percent in 1980.

The lesson learned in the hollow-army period was that if budgets had to be cut, so should the size of the forces themselves. Now, however, the opposite course seems wiser—force structure should be maintained as a hedge against an uncertain future. The hedge cannot be sustained indefinitely, for it would mean leaving weaponry in service longer and

[4] William W. Kaufmann and Lawrence J. Korb, *The 1990 Defense Budget*, Washington: The Brookings Institution, 1989; and John Lehman, *The New York Times*, March 26, 1989.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

longer, but deferring major cuts in forces until the second half of the 1990s would provide time for arms control to bear fruit and for better assessment of change in Eastern Europe and the Soviet Union.

To avoid a return to the hollow army, one place not to cut defense budgets is pay and perquisites. That admonition probably also runs to military retirement provisions. Ironically, another way to avoid the hollow army is to allow readiness to be deliberately unbalanced. Some units should be reduced to cadres while others are kept very ready, thus retaining visible standards and, it is hoped, mitigating ill effects on morale. The assumption of increased warning time allows for more use of "round-out" units, capable of being brought to full strength in a crisis. History suggests, and military commanders agree, that smaller readier components to be rounded out are preferable to larger units at low readiness and low morale.

Shifting toward reserves or round-out units may be a more limited course for the air force or navy, however, both of which argue—with some merit—that their operations depend on experienced people who are already in short supply. Morale can be maintained in other ways as well. Surely today's frantic operating tempo is unnecessary given the relaxed pressure on American interests; the recent spate of navy accidents suggests that the tempo is unwise as well as unnecessary.

If forces need to be cut, however, the place not to cut soon is American forces in Europe, given the uncertainties that accompany all the good news from that region. If CFE talks in Vienna succeed, those forces can be cut then. In the meantime, if force cuts are required abroad, Asia-oriented elements are the first candidates (the army division in Hawaii or U.S. ground forces in Korea, as politics permit). In order to save money, however, these troops must then be eliminated from the force structure. Further short-term cuts can be taken in the navy and in U.S.-based army and air force units by switching them from active forces to the reserves or National Guard. Also, cutting another carrier battle group or two seems attractive given the price of new carriers ($3 billion to $4 billion each) and the lack of tactical aircraft to arm them.

Since the American military has just completed as expensive a weapons modernization program as any in its history, deferring the next round of new weaponry presents little risk.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Doing so is the only way to get big savings soon—on the order of $35 million apiece for deferring new army helicopters (LHX); $100 million each for the advanced Stealth fighter (the air force's ATF and the navy's ATA); $1 billion for each new destroyer (DDG-51); and $1.5 billion for attack submarines (SSN-21). Weapons thus deferred could be kept in the research and development stage as a hedge against future needs. The price tag for the next round of new systems is more than $100 billion, so savings could run to $20 billion a year by 1992.

First candidates for deferral should be systems whose development has been troubled, where the technology has been pushed too fast, or where near-term deployment seems unwise. SDI and the B-2 are two such candidates in the strategic realm, and advanced tactical fighters in the conventional. The rationale for the B-2 is weak in any case. It is a nuclear system, pure and simple, and is too valuable to risk for any conventional purpose. It also seems too valuable to risk against mobile nuclear targets, even if it could be made to hit them. As technology improves, stand-off systems should be able to carry out the same mission anyway.

The new C-17 transport plane does not suffer from the same technological concerns as the B-2, but there seems little need to rush into its expensive deployment. It is intended to respond on short notice to Soviet attacks in Europe, a mission that seems less plausible. In the area of weaponry, however, as elsewhere in the defense program, what makes strategic sense may not accord with the institutional interests of the services. For example, the air force might opt to stop buying effective current-generation aircraft like the F-16 in hopes of protecting its access to advanced new starts.

In the strategic area, if arms control cannot save money, it should at least try to avoid spending it. With Gorbachev in the Kremlin, the "bargaining chip" rationale, proceeding with new systems only to trade them away, is weak. It is better to defer deployment of some new strategic systems, again keeping them in development as a hedge. For example, building more Trident submarines would only create more warheads than the United States could sensibly accommodate under a START agreement.

It is also time to rethink the case for mobile land-based missiles. Mobility has been a redress for vulnerability, but that option is one we may come to regret. It is expensive—about $30 billion for the Midgetman—and a high price to pay to

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

remain disadvantaged in competition with the Soviet Union, which will retain the advantages for mobile missiles of larger territory and more secretive governance.

It is now time to restructure the thinking behind strategic arms control, a course attractive to some in the Bush Administration. The preoccupation with numbers has long been excessive, even if it seemed imperative given public attitudes. Now, however, fears of nuclear war have receded; no doubt the current absence of concern is as unwarranted as the anxieties of a half decade ago. But arms control has returned to where it ought to be—second place to political change.

The emphasis should be placed not on grand agreements but on the systems that are most destabilizing—the land-based missiles with multiple warheads. The United States has tried that approach before and the Soviet Union has resisted. This time, however, improving superpower relations might give both the luxury of time. As both shift slowly toward single-warhead systems, the United States might be willing to live with some period of vulnerability for its land-based missiles, especially if total numbers of missiles are large. After all, America has lived with vulnerability for a decade, and a bolt-from-the-blue Soviet nuclear attack must be reckoned still less thinkable now than ten years ago.

The strategy outlined here is driven by the budget and permitted by events set in motion by Gorbachev. It is a strategy for cutting what the United States can safely do without, at least in the short term. Beyond the next decade and a half, however, there will be the opportunity for serious thought about what weapons the United States should have in the international environment it will confront.

President Bush found it necessary to use force—in Panama—before the end of his first year in office. As with many conflicts likely to come, it was a challenge not connected to the Soviet Union. Throughout the postwar period, however, America has treated most Third World contingencies as lesser cases of the Soviet threat. That practice, if ever tenable, seems less so now.

The nature of conflict is changing. Traditionally minor powers are gaining some very sophisticated weapons. Naval forces designed for high-tech warfare on the open ocean do not seem appropriate for messy and strictly limited action in the Persian Gulf, where the United States suffered for want of minesweepers and patrol craft. An operation as small as the

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Grenada invasion, despite its success, was poorly implemented and the United States will not always be able to count on so large a margin for error.

The prospect of deep spending cuts and the imminence of these "special operations" and "low-intensity conflicts" has forced the Pentagon to contemplate changes in the very nature of service missions. Should the army be weaned from its preoccupation with Europe and heavy forces? If so, will the United States end up with two marine forces, and will both be too heavy to move and too light to fight? Has the United States fumbled toward the right navy for the wrong reasons—not pressing the Soviet Union in the far north but showing the flag in the south? If so, are six carrier task forces enough, or are there other, cheaper ways to demonstrate and sometimes apply force?

On historical precedents, those questions will remain unanswered. Indeed, by those precedents American defense spending will turn up again soon. Of the seven periods of real decline in defense spending since 1950, only one—that following the war in Vietnam—lasted more than four years. The fifth year in this current period of decline is 1990. However, international events do not seem likely to produce a shift in public and congressional sentiment in favor of increased military spending. The Pentagon itself has ceased to count on it.

Whether the continuation of Gorbachev's policies and tight budgets will be enough to overturn "business as usual" in both the administration and Congress remains to be seen. The services' response to Cheney's request for cuts of $140–$160 billion in the years 1992–94 was predictable, calling for deep cuts where Congress would be most likely to object. Cheney will need to guard from the services the programs he wants, no easy task in a Pentagon whose central policy institutions are weak from a decade of the services' primacy.

Senator Nunn and especially Representative Aspin will have to keep their committees together, caught in the crossfire between those on the left wondering what happened to the peace dividend and those all across the spectrum lamenting the cuts that have to be made in weapons built in their districts.

The real challenge will be to turn international opportunity and domestic constraint into a chance to save money in a sensible way and to do something that has been left undone for too long—matching defense spending with military strategy.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

McGeorge Bundy

FROM COLD WAR TOWARD TRUSTING PEACE

The *annus mirabilis* 1989 has made it clear that the Soviet Union and the United States now have it in their power to put an end to the cold war—the most important, expensive and dangerous phenomenon of the second half of our tumultuous century. It is too soon for historians to say that the cold war is over. There are still many unresolved tensions where mistakes on one side or the other could revive it. Moreover, excessive optimism could again be a cause of failure as it has been in the past.

Disappointed hopes about Joseph Stalin were one reason for the intensity of American responses in 1946 and 1947, and disappointed hopes for détente more than 25 years later led to the renewal of the cold war in the decade of 1975–85. If these two great nations are to make durably strong the stable peace between them that is so clearly in prospect as we enter the 1990s, the first point for both to keep in mind is that this task will take continued effort by both parties. The December meeting in Malta between Mikhail Gorbachev and George Bush seems to have been a hopeful step toward such a joint effort.

Nonetheless it is right to celebrate the great events that made 1989 the best year for East-West relations since World War II. At the end of the year in Eastern Europe there was one splendid surprise after another. The Poles had a government led by the men and women of Solidarity; the Hungarians were preparing for free elections after their Communist Party changed its name and lost most of its members; the old man who had ruled Bulgaria for 35 years was forced to quit; the massive demonstrations of those who would be free ended neo-Stalinism in Czechoslovakia and overthrew Nicolae Ceauşescu in Romania. In the largest surprise of all, the East Germans decisively rejected their own hard-line leaders and

---

McGeorge Bundy is Professor Emeritus of History at New York University. His most recent book is *Danger and Survival: Choices About the Bomb in the First Fifty Years.*

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

an interim regime responded to millions of peaceful demonstrators by opening the Berlin Wall.

Every one of those great events has been accepted, and most have been explicitly encouraged, by the government of the Soviet Union. More astonishing still, those massive changes—except in Romania—have taken place with less violence than we have come to fear from a single soccer game.

II

If the cold war could be ended as easily as it began, we could readily argue that the changes in Eastern Europe are in themselves enough to finish it off: It started there, and it is ending there.

The single set of events that was decisive in ending wartime hopes for lasting Soviet-American friendship was the Stalinization of Eastern Europe between the arrival of the Red Army in 1945 and the death of Jan Masaryk in 1948. Franklin Roosevelt had tried to prevent what happened, but the words of the Yalta declaration—clear in their pledge of free elections in all the countries set free from Hitler, and hailed by Americans left, right and center—were overridden by Stalin's army and his local henchmen. The Yalta conference is misunderstood when it is remembered as a meeting in which Roosevelt and Winston Churchill gave away the freedom of East Europeans. That freedom was never theirs to give. Both leaders may have put more trust in words than they should have, but were they wrong to try? At the very least, as I argued 40 years ago in this journal, the words of that declaration set a standard by which Stalin's actions could be judged.[1] The great events of 1989 have precisely this meaning: If the rush to freedom is carried through, "the test of Yalta" will finally be passed, and the principles of the Yalta declaration will be realized.

The revolutions of 1989 have undermined the cold war in another way. They have given a massive and final blow to the appeal of international communism as the political wave of the future. Those of us who are old enough remember how much the cold war owed, in its beginnings, to fear of communists everywhere. Some of that fear was wildly exaggerated, though not all of it, but we need not here review that balance. What matters for the 1990s is that international communism has

[1] McGeorge Bundy, "The Test of Yalta," *Foreign Affairs*, July 1949.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

now plainly lost its missionary appeal. The communists who have been thrown out in Eastern Europe stand exposed as corrupt, tyrannical and incompetent, and their repudiation is plainly the work of the masses for whom they claimed to speak. The unfinished contest for China's future leaves that country without political appeal beyond its borders. Even Gorbachev, attractive as he is as a politician, has no exportable ideology. Individual communist tyrants can still oppress their own people and trouble those nearby, as in North Korea, Vietnam and Cuba. But communism as a worldwide political movement died in 1989. There will be a parallel decline in the political appeal of anticommunism; not many will persist in endless war against the dead.

The peoples of Eastern Europe are themselves the primary authors of the great events of 1989. Without the clear consent and the general approval of Gorbachev those changes could not have come as they have. It is right that his name should have been cheered in East Berlin, but what is forcing change, amazingly, is the will of the peoples. I know of no one, expert or not, who foresaw these events, but their unexpectedness can only increase our admiration for the people who brought them to pass. In that number we must include those in government who have been willing to bend. If in 1776 there had been such men in power in London, our own revolution might have been fast and peaceful.

Still we must not suppose that the overthrow of tyranny is the same thing as the establishment of stable and peaceful democracies. Within each East European country there are deeply rooted antagonisms, and there is almost none without its memories of land and people now beyond its boundaries. Almost everywhere there is economic distress, and the task of economic turnaround will be harder than it was 45 years ago in Western Europe. External assistance is already in prospect, most generously from Western Europe, and it is probable that local wars can be prevented by the weight of Soviet power on the side of the territorial status quo. Nonetheless there will be a time of testing for all of the self-liberated countries.

III

The hardest problems of all—and the most important in terms of European peace—are those that lie ahead for East Germany. The apparently durable regime of Walter Ulbricht and Erich Honecker did seem to stand in the way of major

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

change. In its way it was thus a guarantor of a strangely stable central Europe, where two world wars had been let loose in 25 years.

It is distressing, but not really surprising, that some of those who are habituated to the predictabilities of the cold war have displayed withdrawal pangs over the fall of the Iron Curtain. And it is entirely natural, indeed politically essential, that the future choices of both West and East Germans should take account of the interests of all their neighbors and of both superpowers. In terms of international law those interests are justified by the absence, still, of a German peace treaty. In terms of international politics they are more decisively justified by the reality that all the concerned parties must be reliably assured that there will never be a third world war caused by Germany.

My own conviction is that there is no such danger. I believe that the people of West and East Germany, perhaps more than any others, are now immunized from war-making. I also believe that one citizenry has learned from success, and the other from failure, that the real rewards of today and of the future are to be found in the arts of peaceful and productive work. I also believe, on a question that would be decisive by itself, that no German government, West or East or united, will ever develop its own nuclear weapons. I believe that such propositions would be widely accepted both by Germans and by those who know them best.

We cannot limit our interest in that enormous question, however, only to what will in fact happen. We must be concerned also with possibilities that will be feared. And what Germans might do in those matters will indeed be feared, even after forty years of West German statesmanship and East German obedience. That is the inheritance, unwanted but unavoidable, that we all have from Adolf Hitler.

It follows that the arrangements of the Germans must include safeguards that will adequately take the place of the vanished Iron Curtain as a guarantor of the German commitment to peace. I do not here venture to suggest what those arrangements should be. The variables are many, and since the central concern must be with what does and does not prevent fear, we must allow for the likelihood that what is needed will change over time.

What deserves emphasis right at the start, however, is that the requirement of reassurance against what Germany might

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

do is not a judgment against the Germans. It is not even a requirement placed on Germany only in the interest of others. The Germans, as much as any other people, need the same reassurance; except for the Jews, the people who in the end suffered most from Hitler were the Germans themselves.

One great guarantee of peace remains in place for the present—the armies of NATO and the Warsaw Pact. It is more than likely that there will be some early cutbacks in the forces deployed on both sides; there has already been progress in 1989 toward agreement on large-scale reductions in military forces, and there should be more in 1990. There is good reason, however, for both armies to maintain for some time the military presence that has been customary for so long. It will be appropriate for the two superpowers to reduce to a minimum the inconvenience that their presence imposes on those who live in the two Germanys. Training exercises in particular can be cut back. The professional readiness of those forces simply does not have the urgency now that it was thought to have in earlier years.

The political rearrangement of Germany will take time, and it would be a mistake for any government to pretend to certainty about what that eventual rearrangement should be. In the first weeks after the Berlin Wall was opened, it was easy and natural for individual commentators to express themselves in sweeping terms—that German reunification was inevitable, or impossible. In truth, no one yet knows the answer. It is understandable that Chancellor Helmut Kohl should have expressed his own long-run hopes in his November 28 speech, which was also notable for its awareness of the distance from the present to the realization of such hopes. What we all need to remember here is what both German governments know very well. They have been actively negotiating the German future with each other for two decades now, and while there will be much more to discuss in the future than in the past, there is a great deal to be learned from their experiences.

The great innovator here was the former West German Chancellor Willy Brandt, who led the way to the set of agreements that opened the way to serious relations between the two Germanys in 1972. Brandt had the courage to reverse the priorities of West Germany—from an insistence on unconditional and therefore unobtainable reunification to an acceptance of the boundaries of the two Germanys as they were,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

along with a new Soviet guarantee for the security of West Berlin and a new acceptance by each German government of the other's existence. He then set out, and his successors have followed him, along a course using modest economic concessions—relatively easy for the rich West Germans—to increase the human and economic connections across the Iron Curtain. By 1989 those small steps had covered a lot of ground; the annual contribution of the rich West to the straitened East was running about six-to-seven billion deutsche marks, and the overall advantage to East Germany of its preferred trading relation with its larger and richer brother-state was even greater.

In the autumn of 1989, with change the order of the day in the East, the government of Helmut Kohl made it clear that further steps, and larger ones, could and would be taken in response to the East German abandonment of one-party dictatorship. In effect the West Germans are offering massive reinforcement to their fellow Germans insofar as they commit themselves to free and democratic elections by May 1990. No one can predict with precision the kind of relations that a freely elected government will and will not want with its neighbors. It is a safe assumption that East Germany will want and get large-scale economic help from Bonn, and that there will be large-scale movements of Germans back and forth in both directions, for work and for play.

Over time the free movement of Germans, the free elections of a new East German government, and the offer and acceptance of a new economic partnership are likely to lead on to political relations that will go beyond those that are usual in separate states. If the winners of the East German elections should come in with a mandate for reunification, both the speed and the magnitude of such political change would almost surely increase. Obviously it will remain possible for the Soviet Union to prevent such change, but only at very high cost to its own objectives of lower tension, lower defense bills and greater economic connection. Moreover, there is much that German leaders can do to reduce the likelihood of a Soviet veto. First they can make it wholly clear that their new political arrangements reflect the commitment to democracy and human rights that have so strongly marked both the forty-year tradition of Bonn and the people's revolution of 1989 in the East. The Gorbachev government is not likely to believe that a Germany with that kind of political base is eager for conflict.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

The Germans can also draw on the examples of Konrad Adenauer and Brandt to reaffirm and deepen two great commitments already part of their own history: the rejection of German nuclear weapons and the acceptance of the Oder-Neisse line between East Germany and Poland. Both decisions were not so much a matter of right and wrong as a matter of good sense. The underlying reality is that neither boundary changes nor nuclear weapons would ever be as valuable to Germany as the international reassurance that has come from the decisions by both Adenauer and Brandt to keep those issues off the German agenda. The wisdom of their actions is amply demonstrated by the evident reality of political, economic and societal success in the Federal Republic. The newly connected Germany now on the horizon, whether or not in the end it becomes a single unified or federated state, will greatly reinforce its own peaceful future by unilateral and unconditional reaffirmation of those decisions.

As they address the future of the two Germanys, the leaders of West Germany will be concerned not only with what will give reassurance to all their neighbors, but also with the maintenance of their notable and constructive role in Western Europe. The West Germans will have the enormous asset of their solid record as good citizens of Western Europe, an honored and well-tended inheritance from Adenauer. The ways and means of community in Western Europe have a complexity that defies summary, but it is notable that there is not a single working organization in the region in which the West Germans are not active, effective and trusted. Every postwar German chancellor has been a good European; what Adenauer understood first is now understood almost across the board in Bonn, and it is backed by a profoundly *European* electorate.

For that reason it is natural, in West Germany, to think about "the German question" as part of "the European question." Even in its first passionate response to the opening of the Berlin Wall the government in Bonn did not lose sight of its interest in Poland's future; it has been responsive also to the reality that Hungary, by a timely opening of borders, played a most important role in the retirement of Honecker. Other European leaders, like French President François Mitterrand, have been quick to recognize that the right response to new freedoms in the East is self-confident generosity from the emerging Europe of the West. The West Germans, by wealth

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and location and self-interest, will have a great role in all this—all the more so because their credentials as loyal Europeans have been validated by more than forty years of commitment and performance.

Finally, there is the relation between the Federal Republic and the United States. At the end of the year in which John McCloy died it is natural to remember that in the forty years since he went to Germany as U.S. high commissioner, each country has been the other's most important friend. For us the Japanese are now even more important economically and the British are even closer, but the Germans have been the most important to us and we to them. A breakdown of German-American trust at any time in all those years could have meant the end of freedom in the center of Europe.

Are we to suppose that this great connection no longer matters? The question answers itself. The relationship will evolve—fewer American soldiers on the scene, not so many angels (or devils) dancing on the head of the pin of nuclear policy, a need for cooperation in durable détente with Moscow, as against solidarity in standing up to threats. But there is no substitute available to either government for its partnership with the other. There may come a day when the peace of Europe does not need the Americans, or even a day when the peace between the superpowers is so strong that Europe can relax in its shade, but along the way to such distant goals the Americans and the Germans will still need each other.

IV

Let us return to the two superpowers and remind ourselves that just as the Americans will still have a guarantor's role in the West, so the Soviet Union will insist on remaining a guarantor of its own security in the East. We can go clear back to the Yalta conference and remind ourselves that one large element in what Roosevelt and Churchill were attempting there rested on their own awareness and acceptance of the Soviet need for unthreatening neighbors. We can also remember that not every ardent Polish nationalist of that generation would have seemed a good neighbor even to a less black-and-white Soviet judge than Stalin. There will always be watchful Soviet eyes on the new leaders of Eastern Europe, but there are also great differences between 1945 and 1990. So far those new leaders have shown sensitivity to the requirement to avoid threatening the Soviets' power. Moreover, the Soviets

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

appear to have reached a clear decision that they need neighboring governments that make them feel secure, but not governments that hold their own peoples in a neo-Stalinist grip.

We do not know—and quite probably Gorbachev himself does not know—just what is meant by his requirement that those newly awakened societies remain both socialist and loyal to the Warsaw Pact. If, as I think, it is right to expect that both Gorbachev and the new leaders of Eastern Europe will strongly prefer genuinely peaceful coexistence to any renewal of ancient quarrels, then it is also reasonable to expect that Gorbachev will succeed in finding enough socialism and reliability among his neighbors to satisfy his announced standards. There is no more elastic word than socialism, unless it is the word market, and it may well be that in the long run the new socialism of Eastern Europe, and the perestroika of the Soviet Union, will all be definable as cases of market socialism.

As for reliability, if it be defined as a relationship that ensures peace both within the group and with others in Europe, then it can be found in many arrangements less expensive than that of allied armies fully deployed. Obviously the rearrangement here must be careful and it must take place in both alliances, but there is nothing in the declared purposes of either side that requires the two sets of deployments to remain as they are. No leader understands that reality more plainly than Gorbachev; none has less need for the postural rigidities that hardened in both alliances during the cold war years.

It is not yet clear that there is a parallel subtlety of understanding on the Western side. In December, as he visited NATO after Malta, President Bush appeared to share the general view of NATO leaders that if Germany is to be reunited, it should be reunited inside NATO. It is unlikely that such a formula would be acceptable to Moscow and it does not really make sense for Washington either. Does anyone really suppose that the détente so skillfully nourished at Malta would survive the incorporation of all of Germany in NATO and the arrival of American forces at the Polish border? Even supposing that the Russians would in fact withdraw in our favor from an occupation we have accepted for 45 years, do we really want to generate the fear and mistrust that would result if we took their place?

Those who talk of a united Germany as a member of NATO

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

have not really decided what that would mean or how it could be acceptable to the Soviet Union. It is a shorthand way of asserting that a Germany rooted in Western Europe and linked to the United States is better for all than a Germany not so rooted and linked. That more general assertion is correct, but it is also incomplete if it does not respect the equally correct assertion that the Soviet Union, with its own intense memories of the war against Germany, will insist on safeguards more direct than those offered by the self-restraint of a self-consciously righteous NATO embracing all of Germany.

Fortunately the problem presented here is more apparent than real. Sooner or later it will be clear to all that the liberation of the six former satellite countries totally changes the calculus of danger in Europe. Those countries, in their new freedom, constitute a wide and strong buffer zone protecting both the Soviets and the West Europeans from their historical fears of one another.

In that situation the roles of both American and Soviet forces must change over time because the level of fear is so greatly reduced. It then becomes entirely reasonable to expect that there need be no more Americans in West Germany than the Germans truly want, and no more Soviet forces in liberated Europe than the liberated Europeans are willing to accept. It becomes quite likely that there should be no foreign troops at all in what is now East Germany. Sobered by all that was unexpected in 1989, I do not venture to foretell the eventual result. What does seem predictable, however, is that any result that is satisfactory to the free people on the spot will also be a stable reassurance to all concerned. Already in 1989 we have seen that interconnection, as the lowering of tension in the East decisively reduced the West German interest in modernizing short-range nuclear weapons. Each such demonstration of Western moderation is likely in its turn to help the men and women in Moscow feel at ease with change in Eastern Europe.

The reduction of American and Soviet forces in Europe will also help to increase the confidence of each superpower in the peaceful intentions of the other. In 1989 there was a gradual but significant shift in Washington from wariness to confidence about the reality of Moscow's commitment to major reductions in conventional forces. By the end of the year Secretary of Defense Dick Cheney was planning American reductions on a scale that he would have denounced as dangerous folly when he took office. The Malta meeting

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

reaffirmed the commitment of both governments to the early conclusion of a broad agreement on conventional arms reductions. Both the negotiations and the design of reduced military budgets will be demanding on the defense leaders of both countries, and it may well turn out that the rate of change is less rapid than optimists hope. But here as elsewhere in the new world of the 1990s it is the general direction of change, and not its magnitude in any one season, that matters most.

There is a busy season ahead, then, as each of the two superpowers rearranges its relations with the part of Germany and Europe to which it has been connected. What is striking about that prospect is if the two countries continue as they have begun, the changes required in the interest of good relations with allies will also be changes that improve the direct relations between the United States and the Soviet Union. We have here the exact converse of what happened in the first years after World War II, when the abrasive impact of oppressive Soviet expansion in Eastern Europe was rapidly countered by the integration of Adenauer's Germany into a recovering West.

Yet it is also right to emphasize the magnitude of the changes of 1989. It is hard to overestimate the value, both to the self-confidence of Europe and to the direct relations between Moscow and Washington, of the reduction in the Soviet threat in Europe that has resulted from the combination of multiple national revolutions and Soviet conventional restraint. By the end of the year there was official acceptance of what was already obvious to public opinion throughout the Atlantic alliance: Warsaw Pact countries, large and small, had neither the intent nor the capability for rapid assault on the West, and there would be ample advance warning of any large-scale move to change that reality.

V

In strictly bilateral terms there is a special importance to the strategic nuclear arms race. In Soviet memory it is almost surely the American atomic bomb, not the Iron Curtain, that marked the beginning of the cold war, and the first Soviet nuclear test in 1949 sharply increased cold war tension in Washington. It remains true today, as it has been since the 1950s, that each of the two nations lives in constant awareness that its whole society could be smashed in a day by the missiles of the other.

Strategic arms control had a thin decade in the 1980s. The

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

second Strategic Arms Limitation Talks (SALT II) Treaty was signed in 1979 by Jimmy Carter but never ratified by Congress. Ronald Reagan never understood what was and was not possible in the nuclear competition, so he committed himself recklessly to the unattainable goal of a leakproof space shield and then in his summit meeting with Gorbachev flirted briefly with a misconceived "abolition" of strategic missiles, thus making Reykjavik a permanent word of warning to his successor. In the end, when Gorbachev's good sense and the responsive diplomacy of George Shultz and Paul Nitze brought an excellent strategic agreement within plain reach, Reagan stubbornly preferred his dream of effective defense. That decision made a messy legacy for President Bush, and it is not all bad that 1989 has been a year of deliberation.

Yet much more is now possible and there are new forces on the side of large-scale strategic reductions. The most powerful, for both governments, may be the pressure on military budgets. New systems, pressing as they do against the limits of what is technologically feasible, come in at prices hard to defend at a time when the strategic stalemate is sturdy and the charge of dangerous imbalance long since dismissed by Reagan himself. What exactly is it that makes a single Stealth Bomber worth half-a-billion dollars? As the year ended, the Stealth program was being stretched out. Still more significantly, the appropriation for strategic defense was repeatedly cut from Reagan's last proposals—by President Bush, the Senate and the House. No one now claims that there can be a leakproof shield, and those who proclaim the value of enormously expensive partial protection are each year less persuasive in Washington.

There is some tension between the downward pressure on military budgets and the complex process of agreed reduction by arms control agreements. It is often supposed that the only way to get agreements is to have good systems you can trade away—the most notable examples may be the primitive antiballistic missile deployments that were limited in the SALT I treaty and the Pershing missiles that were traded for Soviet SS-20s in 1987. Such build-and-bargain tactics, however, are not the only way of getting balanced and mutually reassuring reductions. In the new political environment that we all owe primarily to Gorbachev, it becomes entirely possible to make a virtue of moderation and to count it as a part of the process of constructive bilateral reductions.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

It is also reasonable to hope that both great governments are beginning to escape from the pressure of the war-fighting doctrines embraced by military leaders on both sides in earlier years. The low point in the U.S. discussion on that issue came in the late 1970s when conservative civilians, with some help from retired military men, argued that Soviet leaders committed to victory in nuclear warfare were in fact acquiring a strategic superiority, which they would be able to use as nuclear blackmail to obtain a decisive cold war advantage.

It was one of Reagan's most valuable contributions as president that he made mincemeat of those false fears with a single sentence, first uttered in 1982 and then repeated regularly and in his last years jointly with Gorbachev: A nuclear war cannot be won and must never be fought. The proposition is both deeply correct and highly constructive. Its practical meaning is that most of the new weapons systems developed by both sides in the last twenty years have been unnecessary or even destabilizing. Because nuclear war is unwinnable, only weapons (such as better submarines and single-warhead mobile missiles) that add significantly to overall survivability are worth buying, and even then not too many of them.

Yet not even a president with a gift for phrase-making and an earned immunity to criticism from conservatives can undo a whole strategic mindset by a single sentence. There is much serious work to be done in thinking through what it means, in terms of strategic doctrine, planning and procurement, to start from the proposition that a nuclear war cannot be won. The central tradition of military thought in both countries is that what you must do in war is win. In the particular version adopted as a formal service credo by the U.S. Air Force, you must win by the resolute and decisive application of strategic air power—nuclear since 1945 and including submarine-launched missiles since 1960. Unless Reagan and Gorbachev are all wrong about nuclear war, such pursuit of victory is quite literally nonsensical. You cannot win, and if you try to, you will only commit national suicide.

Senior military men are obviously not blind to that reality. In practical terms what they expect from strategic strength is deterrence, not victory. Nonetheless they have been slow to address the habits of mind that lead planners and service leaders to seek ways and means of attack that might in some numerical sense "win"; this creates, for example, a demand for

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ever more numerous "prompt hard-target killers." There will never be enough to win—that is the meaning of Reagan's statement—and building more and more only stimulates the new deployments of the opponent. What you need is enough to deter, as Dwight Eisenhower was the first president to say, and both sides have vastly more than enough as the 1990s begin. I believe that the president who tells his senior commanders to apply common sense to strategic doctrine will find a ready response; many military men understand that there is an unbridgeable gap between inherited doctrine and the reality of strategic stalemate.

The stalemate of today would be a stalemate even if one side were to go on building while the other cut back by half its many survivable warheads. The band of parity, in Robert McNamara's phrase, is very wide. In such a situation there is no need for either government to be greatly troubled by the exact numbers of vehicles and warheads agreed in the Strategic Arms Reduction Talks treaty now so near to completion. What is needed on both sides is political determination, and here the words from Malta are encouraging.

There is also room on both sides for acts of unilateral moderation. Over time of course, such acts must be roughly matched if there is to be a sustained process of two-sided restraint, but it helps a lot not to have to worry about precise balances at every step. Indeed in that situation, once it is clearly understood, the side that takes the lead in moderation is doing itself a favor. It is saving money without risk. Bilateral moderation, with or without formal agreements, will be reinforcing to mutual trust. The two superpowers cannot abolish nuclear danger, but they can greatly strengthen their confidence in each other's rejection of nuclear war and by doing so reinforce each other's acceptance of stable peace.

Each side has much to learn about those realities. Budget pressures, improved doctrines, sensible restraint in procurement and new formal agreements will take time to have their effect on each other and on the overall attitudes of both governments. There will always be voices for caution in both capitals. On the American side there is a particular hazard of rigidity among those who really believe in the nuclear orthodoxies of NATO planners. Fortunately there is also a much more impressive tradition in NATO, the one represented among American leaders by General Eisenhower and his best student, Andrew Goodpaster. In that tradition the underlying

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

purpose is always the political reassurance of allies, not the deployment of this or that specific weapons system. Precisely because political reassurance will be much easier in the emerging post-Stalinist Europe, it will also be easier to avoid renewed entrapment in "requirements" that have their basis in dated doctrine, not in nuclear or political reality. American nuclear moderation, across the board from battlefield weapons to intercontinental missiles, will be reinforcing to Western self-confidence in the coming decade.

The most uncertain of all the relationships between the two superpowers are those that occur not in their direct encounters over strategic weaponry or over Europe, but in their relations to other countries, most of them in the Third World. Except for the important and welcome Soviet withdrawal from Afghanistan, we cannot call 1989 a year of great improvement in those relations. It is not surprising that the Malta summit produced no visible progress on the question of large-scale Soviet support for the unrepentantly old-fashioned dictator Fidel Castro and, through him, for communists in Central America. American policy in that region remains narrow, and much of the U.S. concern about turmoil in those small countries is absurdly exaggerated. Central America is not the soft underbelly of American security—Panama is an exception because of U.S. interests in the canal (and because of the viciousness of the fallen Panamanian leader, General Manuel Antonio Noriega).

As the year ends, the large Soviet role that is played in and through Cuba remains a source of mistrust and a serious constraint on other improvements in bilateral relations. Nothing would do more to ease the way for such improvement than a visible and sustained reduction in the Soviet subsidy to Castro, and it will be entirely understandable if that happens only by independent Soviet choice, not by superpower negotiation.

VI

Underlying the Soviet-American relationship—whether in Europe, in strategic weaponry, in Third World countries or indeed in matters of economics and human rights—is the question of communication and understanding between the two governments and their societies. In that broad field 1989 was a good year and, as in the case of freedom in Eastern Europe, we must give decisive importance to the role of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

President Gorbachev. Glasnost is not the same as free speech, because it goes only as far as authority permits, and there are still limits that are not unimportant merely because they are unspecified. Nonetheless the change since 1985 has been large and good, perhaps as great in those four years as in all the decades between the death of Stalin and Gorbachev's succession.

The new openness both in Soviet diplomacy and in political discourse is both a major element in the easing of the cold war and a major reinforcement of the prospect for stable and confidently peaceful relations between the two superpowers. In 1989 we had a striking demonstration of the constructive power of glasnost when Foreign Minister Eduard Shevardnadze made a formal public acknowledgment that the radar at Krasnoyarsk violated the 1972 Antiballistic Missile Treaty, thus ending years in which implausible Soviet denials had interacted destructively with wildly overstated American claims that this one misplaced radar was of decisive strategic importance. Shevardnadze's courageous statement reflected a new level of Soviet understanding that systematic deception is the enemy of trust between nations. Conversely, when great governments deal openly with one another, and when they do what they say they will do, the reinforcement of their mutual trust can be both quick and strong.

Before the cold war began, the great nuclear physicist Niels Bohr tried to persuade Roosevelt and Churchill that the first requirement of the nuclear age had to be openness—above all between the great powers, and most of all between the United States and the Soviet Union. He was not heeded at the time, and it is far from clear that what he wanted could have happened while Stalin lived. Nonetheless, Bohr was right. As the 1990s begin, the most important single source of new hope is that both governments do now seem to have leaders who expect to be open with each other and with their friends, to the common advantage of all. As a matter of history we cannot yet say that the cold war is over. But looking ahead from where we are now it is not wrong to say that the last decade of the century bids fair to be a time of steadily stronger peace, both in Europe and in the overall relations between the two great protagonists of the years since 1945.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

CHRONOLOGY 1989

Edited by Peter Hayes

THE UNITED STATES
(See also country, regional and topic entries.)

JAN. 4. 101st Congress convenes.

JAN. 9. President Ronald Reagan submits $1.15-trillion federal budget to Congress, designed to increase defense spending by 2% above inflation and reduce budget deficit to below $100-billion level set by Gramm-Rudman legislation.

JAN. 20. George Bush is inaugurated as 41st president of United States. Bush makes televised address 2/9 calling for increases in military spending to be held at rate of inflation, for lower capital gains tax rates, and for government to confront issues including environment, education and child care, homelessness and drug abuse, and US economic competitiveness.

FEB. 23. Senate Armed Services Committee votes 11–9 to reject nomination of former Senator John G. Tower (R-TX) as secretary of defense; Tower had been subject of FBI investigation of charges of excessive drinking and sexual misconduct. Senate votes 3/9 to reject Tower nomination 53–47. President Bush 3/10 nominates Representative Dick Cheney (R-WY) to be secretary of defense; Senate confirms Cheney 3/17 by vote of 92–0.

APR. 11. US Congress votes (Senate 89–9, House 309–110) to approve $49.8 million in nonlethal aid to Nicaraguan contra rebels, in compromise measure worked out with Bush Administration.

APR. 17. President Bush, speaking in Hamtramck, Michigan, proposes economic aid package for Poland, including loans and elimination of US tariffs.

APR. 28. US and Japan reach agreement jointly to develop new Japanese fighter plane, FSX. Bush says that US will have 40% share in development of plane, and will go on to have similar share of production effort.

MAY 4. Former National Security Council staff member Oliver L. North is found guilty of obstructing Congress, destroying government documents and receiving illegal gratuity in connection with Iran-contra scandal. North is fined $150,000 and given 3-year suspended sentence 7/6.

— Space shuttle *Atlantis* is launched from Cape Canaveral bearing 5-member crew. Shuttle successfully deploys unmanned spacecraft, *Magellan*, which starts 15-month journey to Venus.

JUNE 3. Speaker of House of Representatives James C. Wright (D-TX) announces he will resign from speakership, effective upon election of successor, after being charged with violating House rules governing outside income; also promises to resign from Congress. Thomas S. Foley (D-WA) is elected House speaker 6/6 by vote of 251–164 over Republican leader Robert H. Michel of Illinois.

JULY 20. President Bush calls for US commitment to long-range space exploration program including orbiting space station, base on Moon and manned mission to Mars.

JULY 27. House of Representatives passes by vote of 261–162 fiscal 1990 defense authorization bill that includes $305.4 billion for defense spending and cuts funding for Strategic Defense Initiative, B-2 Stealth Bomber and MX missile, despite President Bush's advocacy of those programs. Senate 8/2 passes $305-billion defense authorization bill that supports administration spending priorities. Senate and House conferees 11/2 approve $305 billion authorization; negotiators agree to authorize $3.8 billion for SDI and $1.1 billion for Midgetman and rail-mobile version of MX.

SEPT. 5. President Bush, in televised address, announces anti-drug program

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

calling for total spending of $7.9 billion in coming fiscal year, including $291 million in aid to Bolivia, Colombia and Peru during next fiscal year, and $2 billion more over next 5 years.

SEPT. 21. 44th annual session of UN General Assembly opens in New York. Joseph Namvan Garba of Nigeria is elected to 1-year term as assembly president, succeeding Dante Caputo of Argentina. President Bush, in speech before Assembly 9/25, announces proposal to cut US stockpile of chemical weapons by 80% if Soviets agree to reduce their chemical arsenal to US level. Soviet Foreign Minister Eduard Shevardnadze, in Assembly address 9/26, urges elimination of superpower chemical weapons stockpiles and ban on production.

OCT. 15. Congress fails to meet deadline for passage of reconciliation bill to reduce government deficit to level called for under Gramm-Rudman deficit-reduction guidelines. President Bush 10/16 imposes $6.1 billion in automatic cuts in military and domestic spending.

OCT. 17. Earthquake measuring 6.9 on Richter scale strikes San Francisco Bay area.

OCT. 18. Space shuttle *Atlantis* is launched from Cape Canaveral carrying space probe *Galileo*, intended to conduct 6-year journey to Jupiter. *Atlantis*' 5-member crew returns to earth 10/22.

NOV. 20. Both houses of Congress pass foreign aid appropriations bill that includes $532.8 million in aid to Poland and Hungary in fiscal year 1990, including $240 million in loan guarantees and $293 million in direct grants. House of Representatives votes 215–194 to reject amendment to foreign aid bill that places restrictions on military aid to El Salvador; Senate rejects similar amendment 67–33. President Bush 11/21 signs foreign aid bill; also signs $285.8 billion defense appropriations bill passed by House 11/15 and Senate 11/17. House 11/21 votes 272–128 to approve deficit-reduction bill for fiscal year 1990, which began 10/1. Senate approves budget bill on voice vote 11/22; Congress adjourns 1989 session.

NOV. 24. Visiting British Prime Minister Margaret Thatcher meets with President Bush at Camp David, MD, to discuss upcoming Malta summit meeting between Bush and Soviet leader Mikhail Gorbachev.

THE UNITED STATES AND THE WORLD ECONOMY

JAN. 1. European Community imposes ban on imports of beef from hormone-treated cattle, including $130 million per year in US exports. US retaliates by establishing 100% import tariff on EC food products worth $100 million annually. US and EC 2/19 agree to 75-day cooling-off period during which joint task force will seek solution to trade war.

— US-Canadian trade pact eliminating most bilateral tariffs over 10-year period comes into effect.

FEB. 3. Foreign ministers and central bankers of Group of Seven (G-7) leading industrialized nations (US, Japan, West Germany, Great Britain, France, Italy and Canada) end 2 days of meetings in Washington reaffirming commitment to stable exchange rates and economic policy coordination.

MAR. 10. US Treasury Secretary Nicholas F. Brady announces "Brady Plan" calling for commercial banks to make voluntary reductions in outstanding developing-country debt, and for International Monetary Fund (IMF) and World Bank to cooperate in providing debt-reduction assistance to debtor nations willing to adopt market-oriented reforms.

APR. 3–4. World Bank and IMF hold joint meetings in Washington; endorse Brady Plan.

APR. 28. US Trade Representative Carla Hills says that if Japan does not immediately remedy restrictions on US access to Japanese telecommunications and radio communications market, US will retaliate against "appropriate" Japanese

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

products. Hills makes announcement on occasion of release of annual report on trade barriers to US products, which also cites South Korea, EC, Taiwan, Brazil and India as offenders.

MAY 25. In first use of "Super 301" provision of 1988 Omnibus Trade and Competitiveness Act, President Bush names Japan, Brazil and India as nations engaging in unfair trade practices. Under terms of legislation, the 3 countries have 12 to 18 months to eliminate such activities or face retaliatory US measures. Bush authorizes bilateral negotiations with Japan to eliminate structural barriers to trade in Japanese economy; bilateral US-Japanese trade negotiations are held 6/1. Organization for Economic Cooperation and Development (OECD), concluding 2-day summit in Paris 6/1, issues statement critical of Super 301. At 2-day meeting of General Agreement on Tariffs and Trade beginning 6/21 in Geneva, US is harshly criticized for violating GATT principles with Section 301 policy.

JUNE 7. Oil ministers from member states of Organization of Petroleum Exporting Countries (OPEC), meeting in Vienna, agree to raise ceiling on overall production to 19 million barrels per day, hoping to hold prices at around $18 per barrel.

SEPT. 23. G-7 finance ministers meet in Washington; agree to cooperate in holding down value of the dollar.

SEPT. 26. World Bank and IMF hold joint meeting in Washington; World Bank President Barber Conable and IMF Managing Director Michel Camdessus both pledge support for Brady Plan.

SEPT. 27. OPEC oil ministers, meeting in Geneva, agree to raise total production ceiling to 20.5 million barrels per day, but fail to set production quotas for individual member nations.

OCT. 13. New York Stock Exchange falls 190 points, its biggest drop since 10/87 crash. Concerns are eased on next trading day, 10/16, when market rises 88 points.

Nov. 6. Representatives of 12 Pacific Rim nations including US meet in Canberra, Australia, for first Asia-Pacific Economic Cooperation (APEC) conference. Conference adjourns 11/7; joint statement endorses formation of regional trade group and proposes that China, Hong Kong and Taiwan join group.

Nov. 22. US Trade Representative Carla Hills announces that bilateral trade negotiations with Japan have proceeded well enough to delay US retaliatory action against Japan under terms of Omnibus Trade and Competitiveness Act.

Nov. 28. OPEC oil ministers, meeting in Vienna, agree to set new oil production quota amounts for member nations and to raise total production quota to 22 million barrels per day.

Nov. 30. US presents proposal to Uruguay round of GATT to end trade subsidies and price supports for industrial and agricultural products. Delegates from EC nations speak in opposition to US proposal, calling subsidies legitimate tools of socioeconomic policy.

DEC. 7. EC and 6-member European Free Trade Association (Austria, Finland, Iceland, Norway, Sweden and Switzerland) announce plans to ease regulations on free movement of goods, services, capital and people between economic blocs.

DEC. 24. Japanese government announces plans to offer large tax credits to Japanese firms that greatly increase imports of foreign-made manufactured goods.

WESTERN EUROPE AND CANADA

JAN. 7. Representatives of 149 nations meet in Paris to reaffirm 1925 Geneva Protocol against use of chemical weapons. Soviet Foreign Minister Eduard Shevardnadze tells conference that USSR will unilaterally begin to dismantle its chemical weapons sometime in 1989. Conference adjourns 1/11; delegates "affirm their commitments not to use chemical weapons."

JAN. 29. In municipal elections in West Berlin, conservative Christian Demo-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

cratic Union of Mayor Eberhard Diepgen falls to 38% of vote from 46% in 1985. Social Democrats and Alternative List (Greens) increase share to 37% and 12%, respectively; extreme right-wing Republican Party wins 7.5%, gaining 11 representatives in West Berlin city parliament. Social Democrats and Alternative List 3/10 form "Red-Green" coalition city government.

FEB. 10. President Bush meets with Canadian Prime Minister Brian Mulroney in Ottawa. Bush announces he will propose US legislation designed to reduce acid rain pollution.

MAR. 2. Environment ministers from member nations of European Community (EC), meeting in Brussles, agree to ban completely production of chlorofluorocarbons, chemicals believed to deplete atmosphere's ozone layer, by year 2000. 3-day international conference on ozone layer, attended by 123 nations, convenes in London 3/7.

MAR. 6. Greek banker, George Koskotas, being held in US pending extradition, charges he embezzled millions of dollars from Bank of Crete to support Socialist Party of Greece and Prime Minister Andreas Papandreou. Papandreou government survives no-confidence vote in parliament 3/14.

MAR. 26. In Turkish municipal elections, Motherland Party (ANAP) of Premier Turgut Özal finishes third in overall vote and loses control of 3 largest cities (Istanbul, Ankara and Izmir). Özal 3/27 refuses to resign or reschedule national elections currently set for 1992.

APR. 17. Central bankers of EC nations issue plan calling for full economic and monetary union (EMU) of EC members, over protests of British Chancellor of Exchequer Nigel Lawson.

MAY 2. Centrist governing coalition of Dutch Prime Minister Ruud Lubbers falls after splitting over question of how to finance environmental protection program.

— Meeting in Helsinki of 80 nations to review 1987 Montreal Protocol protecting ozone layer approves declaration calling for end to production of chlorofluorocarbons "as soon as possible but not later than 2000."

MAY 17. Mohammed Ali Hamadei, Lebanese citizen, is convicted in West German court of hijacking Trans World Airlines airliner in June 1985 and of murdering American passenger; Hamadei is sentenced to life in prison.

MAY 19. Italian Prime Minister Ciriaco De Mita resigns after his 5-party coalition cabinet splits over question of imposition of fees by national health service.

MAY 23. West German President Richard von Weizsäcker is reelected to second 5-year term with 86.2% of votes of 1,022-member Federal Assembly.

MAY 26. President Bush arrives in Rome; meets 5/27 with Pope John Paul II, confers 5/28 with caretaker Prime Minister De Mita. Following 5/29–30 NATO summit in Brussels, Bush arrives 5/30 in Bonn; meets with Chancellor Helmut Kohl and President Weizsäcker. Bush again meets with Kohl 5/31, then flies to London. He meets 6/1 with Prime Minister Margaret Thatcher; flies home 6/2.

MAY 29. Carl Pettersson, unemployed laborer, is charged with 1986 assassination of Swedish Prime Minister Olaf Palme. Trial opens 6/5; Pettersson is convicted 7/27. Pettersson's conviction is overturned by appeals court 10/12.

JUNE 1. Portuguese parliament approves removal of Marxist-inspired articles from constitution. Reforms allow government of Prime Minister Aníbal Cavaço Silva to privatize some state-owned enterprises.

JUNE 15. In Irish parliamentary elections, Prime Minister Charles Haughey's minority government fails again to win majority of seats. Haughey's Fianna Fáil party wins 77 seats in 166-seat Dáil (parliament). Opposition Fine Gael picks up 55 seats, and its ally, Progressive Democratic Party, wins 6; leftist parties capture 22 seats. Haughey is reelected prime minister 7/12 after forming coalition with Progressive Democrats.

JUNE 15–18. Balloting is held in EC nations for 518-seat European Parliament; Socialist and Green parties take 260 seats, giving parliament left-of-center majority.

JUNE 18. In Greek elections, ruling Panhellenic Socialist Movement captures

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

39.15% of vote and 125 seats in 300-member parliament; conservative New Democracy Party takes 44.25% and 145 seats; Communist Alliance wins 28 seats with 13.12% of vote, and 2 small parties capture 1 seat each. Backbench member of New Democracy Party, Tzannis Tzannetakis, is sworn in as prime minister 7/1 heading conservative/Communist coalition government formed explicitly to investigate corruption charges against Socialist government officials.

JUNE 27. Semiannual summit of EC leaders convenes in Madrid; they agree that on 7/1/90 all EC currencies will fully join European Monetary Union.

JULY 14. 15th annual summit of leaders of G-7 nations opens in Paris amid 200th anniversary celebration of French Revolution. Group issues political communiqué 7/15 endorsing increased financial aid to Hungary and Poland and calling on EC to coordinate aid effort; communiqué also condemns recent military crackdown in China. Economic communiqué issued 7/16 urges common effort to control emissions of carbon dioxide and ozone-depleting chemicals and supporting "debt-for-nature" swaps with Third World. Economic communiqué also calls for international efforts to control drug traffic.

JULY 17. President Bush arrives in Leiden, Netherlands, where he endorses European economic and political integration.

— Austria formally applies for membership in EC while stating its intention to remain militarily neutral.

JULY 23. Christian Democrat Giulio Andreotti is sworn in as Italian prime minister, heading coalition of Christian Democrats, Socialists, Social Democrats, Liberals and Republicans.

JULY 24. British Foreign Minister Sir Geoffrey Howe is dismissed by Prime Minister Thatcher, reportedly because of disputes over Britain's role in EC. Howe is replaced with John Major.

SEPT. 6. In general elections held in Netherlands, Christian Democratic Appeal of Prime Minister Lubbers retains 54 seats in 150-seat parliament. Coalition partner People's Party for Freedom and Democracy falls to 22 seats from 27, giving governing coalition bare 76-seat majority.

SEPT. 10–11. General elections are held in Norway; Labor Party of Prime Minister Gro Harlem Brundtland wins 63 parliamentary seats, down from 70; Labor's allies Left Socialists win 17, giving socialist parties 81 of 165 seats; nonsocialist parties win total of 84 seats.

SEPT. 28. Greek parliament votes 165–121 to charge former Prime Minister Papandreou with bribery, accepting stolen money and breach of faith. With end of parliamentary investigation, Prime Minister Tzannetakis resigns 10/7; president of Supreme Court, Yannis Grivas, is appointed by President Christos Sartzetakis to serve as caretaker prime minister until national elections are held.

OCT. 1. British Labour Party opens annual conference in Brighton; votes 10/2 to abandon party's stance favoring unilateral nuclear disarmament; party also drops commitment to renationalize companies privatized by Prime Minister Thatcher.

OCT. 13. Norwegian Prime Minister Brundtland, unable to form government after inconclusive September elections, resigns. Jan Syse is sworn in as prime minister, heading center-right minority coalition of his own Conservative Party, Center Party and Christian People's Party.

OCT. 26. British Chancellor of Exchequer Lawson resigns because of differences with Prime Minister Thatcher and her personal economic adviser, Sir Alan Waters, over British membership in European Monetary System. Thatcher appoints Foreign Secretary Major to be new chancellor; chooses Douglas Hurd to replace Major at Foreign Office. Lawson addresses House of Commons 10/31; urges early British entry into Exchange Rate Mechanism of EMS.

OCT. 27. Canadian Prime Minister Brian Mulroney, addressing summit of leaders of 16 western hemisphere nations in San José, Costa Rica, says Canada will apply for membership in Organization of American States.

OCT. 29. In general elections, Spain's ruling Socialist Workers' Party captures

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

176 seats in 350-member parliament, giving it single-seat majority. Provincial electoral committee in Murcia constituency rules 11/11 that seat originally awarded to Socialists should instead go to Communist-backed United Left coalition—denying Socialists parliamentary majority.

Oct. 31. Prime Minister Özal is elected by parliament to 7-year term as president of Turkey, succeeding Kenan Evren, whose term expires 11/9. Özal is sworn in 11/9; names moderate member of his Motherland Party, House Speaker Yıldırım Akbulut, to be prime minister. New government 11/15 wins parliamentary vote of confidence.

Nov. 5. New Democracy party gains 46.2% of vote in Greek elections to take 148 seats, 3 seats short of majority in 300-seat parliament. Greece's 3 major parties (New Democracy, Socialist and Communist) agree 11/21 to form coalition government headed by former head of Bank of Greece, Xenophon Zolotas. Parliament 12/3 votes 292–1 to pass economic austerity program calling for reduced government expenditure and increased taxes.

Nov. 30. Alfred Herrnhausen, chairman of Deutsche Bank AG, West Germany's largest bank, is assassinated outside Frankfurt when remote-controlled bomb explodes near his car. Leftist terrorist organization Red Army Faction takes credit for killing Herrnhausen, close friend and adviser to Chancellor Kohl.

Dec. 8. Leaders of EC member-states meet in Strasbourg, agree that conference on Economic and Monetary Union will take place next December. With dissent of Britain's Prime Minister Thatcher, summit 12/9 approves Social Charter of basic rights for workers; under current status, charter has no legal force. Summit 12/9 releases communiqué supporting German "unity through self-determination."

Dec. 12. Great Britain begins privatization of water industry, as country's 10 water companies' stocks are offered for trading on London stock market.

Dec. 14. West Germany postpones scheduled signing of agreement with Netherlands, Belgium, Luxembourg and France to lift border controls, in order to study how agreement would affect East Germans wishing to travel to other countries in Western Europe.

THE SOVIET UNION AND EASTERN EUROPE

Jan. 6. Soviet Politburo approves economic austerity package that reduces state investment, sets price controls on cooperatives, calls for basing state-employed worker salaries on productivity, and demands improved use of stocks of excess goods.

Jan. 11. Freedom of assembly and freedom of association are passed by Hungarian parliament, allowing citizens to conduct peaceful demonstrations and form organizations independent of Hungarian Socialist Workers' (Communist) Party (HSWP).

Jan. 15. Demonstrations are held in Prague in honor of 20th anniversary of Czechoslovak student's protest-suicide following 1968 Soviet invasion. Police using water cannons break up demonstration by 2,000. Dissident playwright Václav Havel is arrested 1/16 and charged with inciting protests through comments quoted on foreign radio broadcast. Protests continue through 1/21. Police 1/21 halt train carrying demonstrators; arrest at least 400, bringing week's total arrests to over 800. Havel is sentenced 1/21 to 9 months in prison; he is released on parole 5/17.

Jan. 18. Central Committee of Polish United Workers' (Communist) Party (PUWP) approves resolution allowing banned independent trade union Solidarity to undergo 2-year trial period leading to full legalization.

Jan. 19. Ante Marković is chosen by Yugoslavia's collective presidency to become country's premier. Marković is confirmed as premier 3/16 by federal parliament.

Jan. 23. East German leader Erich Honecker announces plans to reduce his country's armed forces by 10,000 troops, 600 main battle tanks and 50 combat

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

aircraft—and military spending by 10%—by 1990, as "constructive contribution to disarmament."

JAN. 27. Representatives of Polish government, Solidarity and Roman Catholic Church meet in Warsaw; they jointly announce that "roundtable" meeting will be held to negotiate political and economic reforms and union pluralism. Roundtable talks open 2/6; Interior Minister Czesław Kiszczak calls for participation of opposition groups in "nonconfrontational" elections; Solidarity founder Lech Wałęsa demands freedom of speech and association and establishment of independent judiciary.

FEB. 11. Hungarian party Central Committee, at end of 2-day plenum, approves formation of independent political parties.

FEB. 20. Ethnic Albanian miners in Yugoslavia's ethnic Albanian-majority Kosovo autonomous province strike to protest increasing Serbian control of province; they demand resignation of 3 top provincial leaders, allies of Serbian League of Communists leader Slobodan Milošević. The 3 officials resign 2/17; Yugoslavia's collective presidency orders federal troops into Kosovo to preserve order. Approximately 500,000 Serbs march on National Assembly building in Belgrade 2/28 to protest resignations.

FEB. 25. 15,000 Georgians stage protest in Tbilisi to mark 68th anniversary of Soviet Union's annexation of Georgia; more than 500, most members of National Democratic party of Georgia, are arrested.

MAR. 5. 5,000 demonstrate in Moscow, shout slogans in support of parliamentary candidacy of reformist former Moscow Communist Party chief Boris Yeltsin. Communist Party Central Committee 3/16 establishes special commission to investigate whether Yeltsin deviated from party line by calling 2/21 for entirely open parliamentary elections. 10,000 Yeltsin supporters march to city hall in protest 3/19.

MAR. 16. Agricultural reform program is adopted by Central Committee of Soviet Communist Party; program seeks to break up central agricultural agency, Gosagroprom, and allow individual farmers or groups to lease farmland.

MAR. 18. Separatists in autonomous republic of Abkhazia, in Soviet Georgia, demand independent homeland. Georgian Communist Party 4/6 removes Boris Adleyba, supporter of Abkhazian homeland idea, as chairman of Abkhazian party organization.

MAR. 23. Legislature in Kosovo autonomous province votes to give Serbian Republic direct control over courts, police and official government appointments and surrenders Kosovo's veto over constitutional changes. Ethnic Albanian protestors in city of Uroševac stone police. Riots spread to 3 other cities 3/24. Police fire at demonstrators in provincial capital of Priština 3/27, killing at least 9; by 3/29 at least 23 protestors are reported slain.

MAR. 26. Nationwide multicandidate elections are held in Soviet Union for 1,500 seats in 2,250-seat Congress of People's Deputies; in many districts, Communist Party regulars are defeated by populists, liberals or ethnic nationalists. Yuri Solovyev, first secretary of Leningrad region, fails to win 50% of vote necessary to take his seat; other party bosses in Moscow and Leningrad are defeated. Populist Yeltsin captures Moscow's at-large seat with 89% of vote.

MAR. 29. Hungarian Premier Károly Grósz, briefing HSWP Central Committee following return from 3/23–24 visit to Moscow, reports that he and Soviet President Mikhail Gorbachev reviewed history of 1956 invasion of Hungary and 1968 invasion of Czechoslovakia, and that Gorbachev spoke against foreign intervention in affairs of Warsaw Pact nations.

APR. 5. Negotiations between Polish government and Solidarity reach agreement on political and economic reform. Current unicameral legislature is to be replaced with 460-seat lower house (Sejm) and 100-seat upper house (Senate). PUWP and allies, Democratic and United Peasants' parties, are guaranteed 65% of Sejm seats; remainder are to be awarded in free elections; all seats in Senate are to be filled in free elections. Agreement also calls for strengthening presidency:

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

president to be able to declare state of emergency, subject to legislative approval, but not to dissolve legislature.

APR. 9. Soviet soldiers violently disperse crowd of 10,000 Georgian nationalist demonstrators in Tbilisi; 20 demonstrators are killed and more than 200 are hurt. *Pravda* editorial 4/11 denounces nationalist movements for attempting to undermine USSR. Georgian party leader Dzhumber Patiashvili submits resignation 4/11, taking personal responsibility for violence; Central Committee accepts resignation 4/14, replaces Patiashvili with Georgian KGB chief Givi Gumbaridzhe. Georgian newspaper *Zarya Vostoka* charges that poison gas was used against Tbilisi demonstrators.

APR. 12. Romanian leader Nicolae Ceauşescu announces that his country's foreign debt, which in 1981 stood at $10 billion, has been repaid ahead of schedule.

APR. 17. Polish judicial panel issues decision legalizing Solidarity. Solidarity founder Wałęsa meets with President Wojciech Jaruzelski 4/18 in Warsaw for talks.

APR. 21. Soviet human rights dissident Andrei Sakharov is chosen by Soviet Academy of Sciences to one of its reserved seats in Soviet Chamber of Deputies.

APR. 25. Soviet Communist Party ideologist Vadim A. Medvedev announces retirement of 72 full members of party Central Committee, 24 candidate members and 12 members of Central Auditing Commission. Among retiring are former Premier Nikolai A. Tikhonov, former Politburo member Geidar A. Aliev and former Defense Minister Marshal Sergei L. Sokolov.

APR. 27. 3 Soviet spacemen return to earth after 8 months on space station *Mir*, leaving station unattended.

MAY 2. Hungary begins dismantling barbed-wire fence separating it from neutral Austria.

MAY 4. At Central Committee plenum, Bulgarian Communist Party chief Todor Zhivkov announces land-reform plan that would break up large collective farms and allow farmers to lease land.

MAY 13. Hungary announces that, in response to Hungarian environmentalists' protests, it will suspend its share of joint project with Czechoslovakia to dam Danube River. The 2 countries agree 5/24 to study environmental impact of project. Hungarian National Assembly votes 10/31 to cancel Hungary's participation in project.

MAY 15. Yugoslav federal President Raif Dizdarević reaches end of 1-year term, is succeeded by Janez Drnovsek of Slovenia. Milan Pančevski, former leader of Macedonian League of Communists, is elected 5/17 by national Politburo to be federal party chief, succeeding Stipe Šuvar.

MAY 17. Polish Sejm (parliament) votes to give Roman Catholic Church legal status. Sejm also votes to return Church property seized in 1950s.

MAY 20–21. As many as 100 ethnic Turks are killed when Bulgaria puts down protests in southern part of country against government's policy of forced assimilation. By 6/3 over 500 ethnic Turks have fled or been forcibly expelled to Turkey.

MAY 25. New Soviet Congress of People's Deputies opens in Moscow. Approximately 85% of 2,250 deputies represent Communist Party; remainder represent unofficial opposition groups including radical reformists and ethnic nationalists. Mikhail Gorbachev is elected with 95.6% of deputies' votes as president, position he already holds but which was greatly strengthened by constitutional changes approved 11/88. Deputies 5/26 vote for 542 of their number to serve in new standing bicameral Supreme Soviet; results are announced 5/27, and among those elected to Chamber of the Union is dissident historian Roy Medvedev. Reformist Yeltsin finishes 12th in balloting for 11 seats reserved for Russian Republic in Chamber of Nationalities; after Yeltsin supporters call for national strike Gorbachev rules 5/29 that Yeltsin can take seat in Chamber of Nationalities if any member of Russian delegation resigns; one deputy from Siberia resigns; Yeltsin is elected in show of hands. Gorbachev 5/29 nominates Anatoly I. Lukyanov as Soviet vice president; deputies approve Lukyanov after 4 hours of debate. Gorbachev

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

makes acceptance speech 5/30, giving first official Soviet figures on defense spending ($128 billion for 1989). Premier Nikolai I. Ryzhkov announces 6/6 government deficit of 6.2% of GNP, and that Afghanistan war cost Soviet government approximately $70 billion. Baltic deputies stage walkout 6/8 to protest makeup of committee studying revision of constitution. Congress concludes session 6/9.

JUNE 3. 2 passenger trains are destroyed when caught in gas pipeline explosion in Ural Mountains, killing as many as 400 people.

JUNE 3–4. Uzbek mobs in Fergana, Soviet Uzbekistan, attack ethnic Meskhetians killing 40; 10 Uzbeks are also killed. Security troops are sent to restore order 6/4, but rioting spreads to nearby communities. 5,000 Uzbek youths rape and murder unknown number of Meskhetians in Kokand 6/7. Uzbeks attack Meskhetian refugee camp near Kokand 6/10; 5 attackers are killed by security forces. Official death toll 6/15 is 99.

JUNE 4. Poland holds partially open parliamentary elections. Solidarity captures 92 seats in 100-seat Senate; 8 seats remain unfilled because no candidate receives necessary 50% vote. Solidarity also wins 160 of 161 available seats in 460-seat Sejm. Candidates from Communist Party and allies run unopposed for remaining 299 seats; only 5 receive enough votes to win. Polish leader Jaruzelski 6/6 calls on Solidarity to join Communists in coalition government; Solidarity leaders refuse. Solidarity representatives meet with Interior Minister Kiszczak 6/7–8; both sides agree 6/8 that unfilled Senate and Sejm seats will be filled in runoff elections.

JUNE 16. Hungary reburies Premier Imre Nagy, executed in 1958 following 1956 Hungarian uprising and originally buried anonymously. Premier Miklós Németh attends reburial.

JUNE 17. Turkish Prime Minister Turgut Özal vows to keep open his country's border to any ethnic-Turkish Bulgarian who wants to emigrate.

JUNE 18. Runoff parliamentary elections are held in Poland. Solidarity captures 7 of 8 unfilled seats in Senate, giving it 99 out of 100 seats in upper house; remaining seat is won by reformist independent. Single unfilled opposition seat in Sejm is won by Solidarity, giving it all 161 opposition seats in lower house. PUWP and allies capture 294 seats reserved for them because of rule change allowing candidates to win with support of less than 50% of voters.

JUNE 24. Hungarian Party Central Committee establishes 4-member collective Presidium. Reformist Minister of State Rezső Nyers is named to head body and given title of party president; General Secretary Grósz, Premier Németh and Minister of State Imre Pószgay are also named to Presidium.

JUNE 27. Supreme Soviet of USSR rejects 6 of Premier Ryzhkov's 57 cabinet nominees, forcing them to withdraw from consideration.

JUNE 30. Polish leader Jaruzelski announces he will not run for president. Polish parliament convenes 7/4; Premier Mieczysław Rakowski and cabinet offer resignations, but agree to stay on as caretakers.

JULY 1. Soviet President Gorbachev makes nationally televised speech saying that ethnic violence and nationalism pose "enormous danger" to Soviet Union and threaten reforms.

JULY 6. Former Hungarian General Secretary János Kádár dies. Kádár is buried 7/14.

JULY 7. Annual Warsaw Pact summit meeting opens in Bucharest; Soviet President Gorbachev makes banquet speech calling for "tolerance" among allies and "independent solutions of national problems." Romanian leader Ceauşescu makes speech complaining about alliance disunity. East German leader Honecker falls ill 7/8 and returns to his country. Summit adjourns 7/8 and issues communiqué recognizing that "there are no universal models of socialism."

JULY 10. Soviet coal miners in western Siberian town of Mezhdurechensk strike, protesting poor wages and working, housing and medical conditions, environmental pollution and shortage of consumer goods. Strike spreads throughout coal-rich

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Kuznetsky Basin by 7/17. Negotiations begin 7/17 between Siberian miners and government, but miners at 8 mines in Ukraine's Donetsk Basin walk off job same day. Siberian miners accept settlement with government 7/19, but strikes continue in Ukraine and elsewhere. President Gorbachev, in television interview 7/23, says that although strikes are harmful to economy, strikers' demands are supportive of his reforms. Strikes wane after 7/26.

JULY 18. In address before Soviet Central Committee meeting President Gorbachev says people are losing faith in party; threatens to purge officials who oppose his perestroika; leading Kremlin conservative Yegor T. Ligachev calls for restrictions on press and denounces notion of multiparty democracy.

JULY 14. Solidarity leader Wałęsa announces support for Jaruzelski to be Poland's president. Jaruzelski announces candidacy 7/18; joint session of parliament votes 270–233 for Jaruzelski, with 34 abstentions; virtually all Solidarity members vote against him or abstain. Jaruzelski resigns as general secretary of PUWP 7/29 and is replaced by Premier Rakowski. Rakowski 7/31 nominates Interior Minister Kiszczak to succeed him; Kiszczak is confirmed by parliament as premier 8/2 237–173, with 10 abstentions.

— American rabbi Avraham Weiss and 6 other American Jews stage demonstration in which they attempt to climb walls around Catholic convent at site of Auschwitz, Poland, Nazi death camp, which Roman Catholic Church agreed in 1987 to dismantle and move by 2/22/89 because of Jewish objections. 100 West European Jews protest at site 7/23.

JULY 27. Supreme Soviet votes to approve resolution supporting Lithuania's and Estonia's plans to develop autonomous free-market economic systems. Approximately 300 dissident members of Congress of People's Deputies, including Yeltsin and Sakharov, officially form Inter-Regional Group of People's Deputies 7/30.

AUG. 7. As Polish Premier Kiszczack struggles unsuccessfully to form government, Solidarity leader Wałęsa suggests that Solidarity form governing coalition with 2 small parties allied with PUWP, United Peasants' Party and Democratic Party. Kiszczack 8/14 announces he is unable to form government. Solidarity, along with United Peasants' and Democratic parties, agree 8/16 to Wałęsa's plan. President Jaruzelski, meeting with Wałęsa in Warsaw 8/17, gives approval to proposed opposition government, asking only that PUWP be guaranteed ministries of defense and interior; Kiszczack resigns same day. Jaruzelski 8/19 releases statement calling Solidarity activist Tadeusz Mazowiecki best choice to head coalition. PUWP Central Committee 8/20 adopts resolution refusing to accept "co-responsibility for future developments" if party is not given enough representation in cabinet; Wałęsa 8/21 accuses party of "blackmail." After telephone call from Soviet President Gorbachev to party leader Rakowski 8/22, PUWP announces it will enter into "partnerlike cooperation" with Solidarity. Mazowiecki wins parliamentary confirmation 8/24 by vote of 378–4, with 41 abstentions.

— East German government accuses West Germany of interfering with its sovereign rights because of Bonn's refusal to expel 130 East Germans seeking refuge at West German mission in East Berlin; another 180 East Germans have taken refuge at West German embassy in Budapest. West Germany closes Budapest embassy to visitors 8/14 in effort to discourage refugees. More than 900 East Germans flee into Austria 8/19 during joint Austrian-Hungarian friendship picnic held in border town of Sopron; 250 more East Germans cross from Hungary to Austria 8/23. West German Chancellor Kohl requests meeting with East German leader Honecker 8/24. 118 East Germans from Budapest embassy are flown to West Germany 8/24.

AUG. 8. Estonia's Supreme Soviet approves legislation mandating 2-year residence requirement for voting and 5-year residence requirement to hold local elective office. Estimated 20,000 ethnic Russians living in Estonia stage strike 8/9 to protest legislation. Soviet justice ministry declares law unconstitutional 8/11; ministry is supported 8/16 by Presidium of USSR Supreme Soviet.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

AUG. 17. Soviet Politburo supports limited economic autonomy for USSR's 15 republics and urges that each republic be able to challenge national laws affecting it. But Politburo reserves for Soviet central government sole authority over defense, foreign affairs and internal security.

AUG. 18. Chairman of Soviet Central Committee International Policy Commission Aleksandr N. Yakovlev admits existence of secret protocols to 1939 Nazi-Soviet nonaggression pact that allowed partition of Poland and permitted Soviet Union free hand in Estonia, Latvia and Lithuania. Lithuania's Supreme Soviet 8/22 declares 1940 Soviet annexation of Lithuania, and Lithuania's status as republic of Soviet Union, illegal. On 50th anniversary of nonaggression pact 8/23, nationalist organizations in Baltic republics, joined by some local Communist and government officials, issue statement in Tallinn, Estonia, saying USSR "infringed on the historical right of the Baltic nations to self-determination." Large demonstrations are held 8/23 in capitals of Baltic republics to protest pact; as many as 1 million form human chain 400 miles long stretching from Estonian capital, Tallinn, through Latvian capital, Riga, to capital of Lithuania, Vilnius.

— East German leader Honecker undergoes gall bladder surgery. West German government spokesman 8/30 confirms rumors that Honecker is seriously ill.

AUG. 21. 3,000 demonstrators in Prague protest on 21st anniversary of Warsaw Pact invasion of Czechoslovakia; demonstration is broken up by security police, who arrest 370.

— Turkish Prime Minister Özal announces closing of borders to Bulgarians not possessing Turkish visas, effectively halting exodus of ethnic-Turkish Bulgarians. Over 300,000 ethnic Turks have fled to Turkey since June, straining Turkey's ability to receive them. US announces 8/29 that it is recalling ambassador from Sofia to protest Bulgaria's treatment of ethnic Turks.

AUG. 27. Roman Catholic Józef Cardinal Glemp delivers sermon saying Jewish protests against convent at Auschwitz "offend the feelings of all Poles," and asks that Jews "not talk with us from the position of a people raised above all others." Jewish leaders and Solidarity newspaper harshly criticize Glemp 8/28. Cardinal Johannes Willebrands, president of Roman Catholic Church Commission for Religious Relations with Judaism says 9/19 that Vatican is "prepared to contribute" financially to relocate convent.

SEPT. 4. Hungarian Interior Minister István Horváth, in interview published in West German magazine *Stern*, says none of more than 5,000 East Germans in Hungarian refugee camps will be allowed to emigrate until East and West Germany reach agreement on issue.

SEPT. 8. Ukrainian Popular Movement for Perestroika, or Rukh, holds founding congress in Kiev attended by over 1,000 delegates. Delegates call for removal of Ukrainian Communist Party First Secretary Vladimir V. Shcherbitsky and for transformation of Soviet Union into "confederation" of autonomous republics.

— Over 100 East Germans voluntarily leave West German mission in East Berlin after being promised assistance in seeking legal emigration from prominent East German lawyer.

SEPT. 10. Hungarian Foreign Minister Gyula Horn announces suspension of agreement requiring Hungary to prevent emigration of East Germans to West; within next 36 hours 10,500 East Germans pass into Austria, arriving in West Germany 9/11–12. East German press agency 9/12 calls Hungarian action "violation of legal treaties"; Soviet spokesman Gannadi Gerasimov says Hungary's action is "very unexpected" but "does not directly affect us." By 10/1 nearly 30,000 East Germans have left Hungary for West.

SEPT. 12. Polish Premier Mazowiecki nominates 23-member cabinet containing 11 members of Solidarity, 4 members of PUWP, 4 members of Peasant Party, 3 members of Democratic Party and 1 independent. Cabinet is approved same day by lower house of parliament by vote of 402–0, with 13 abstentions. Communists are given portfolios of defense, interior, foreign trade and transportation.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

SEPT. 18. Hungary and Israel reestablish full diplomatic relations, broken off after 1967 Middle East war.

SEPT. 19. Soviet President Gorbachev, speaking on national television on first day of 2-day closed plenum of Communist Party Central Committee, announces that next party congress will be held 10/90 and sharply criticizes separatists in USSR's national republics. Soviet press agency TASS 9/20 announces removal of 3 of 12 full members of party Politburo (Ukrainian party First Secretary Vladimir V. Shcherbitsky, former KGB head Viktor M. Chebrikov, and deputy party official in charge of agriculture, Viktor P. Nikonov) and 2 of 8 candidate members. Current KGB chief Vladimir A. Kryuchkov and state planning agency head Yuri D. Maslyukov are appointed as full members of Politburo. Shcherbitsky is replaced as Ukrainian party chief 9/28 by deputy, Vladimir A. Ivashko.

— Hungarian government and opposition representatives reach accord to create multiparty system in 1990. Program calls for unicameral legislature to be filled in free elections 6/90; creation in 1990 of strong presidency with authority to choose premier; law legalizing and granting rights to political parties; and penal reform law.

SEPT. 25. East German leader Honecker reappears in public for first time since 8/14.

SEPT. 27. Parliament of Yugoslav republic of Slovenia adopts amendments to constitution giving republic right to secede from Yugoslavia. Tens of thousands of Serbs demonstrate in Novi Sad demanding military takeover of Slovenia.

SEPT. 30. East Germany announces agreement to transport to West Germany 5,500 East German refugees in Bonn's embassy in Prague. By 10/2 over 5,000 additional refugees have entered Prague embassy grounds, and 5,000 cross from East Germany into Czechoslovakia. East Germany bans unrestricted travel to Czechoslovakia 10/3. 11,000 East Germans board trains 10/4 bound from Prague to Hof, West Germany, via East Germany. Police clash 10/4 with estimated 10,000 protesters in Dresden who attempt to halt and board refugee train.

OCT. 6. Special congress of HSWP is called in Budapest. Delegates to congress 10/7 vote 1,005–159 to change name of their party to Hungarian Socialist Party, to restructure party hierarchy and to adopt new party program renouncing Marxism in favor of democratic socialism. Congress adjourns 10/9 after voting to disband 4-member Presidium and Central Committee and replace them with 24-member Presidium; Resző Nyers is named HSP president and position of party general secretary is dropped. Congress also votes to divest party of much of its property holdings, to disband Workers' Militia and to disestablish party cells in factories.

OCT. 6. East Germany marks 40th anniversary; visiting Soviet President Gorbachev in speech urges East Germany to adopt Soviet-style reforms and says policy for East Germany is made "not in Moscow but in Berlin." Demonstrations in East Berlin, Dresden and Leipzig 10/7–8 are broken up violently by security police; 50,000 march through Leipzig 10/9 without incident. (Reports appearing in West 11/17 claim Honecker 10/7 ordered security forces in Leipzig to use deadly force if necessary to put down demonstrations; State Security chief Egon Krenz is reported to have flown to Leipzig 10/9 and personally countermanded Honecker's instructions.) Politburo meets in emergency session 10/11; Socialist Unity (Communist) Party (SED) chief ideologist Kurt Hager says 10/11 that it is necessary for party to study "change and renewal." Regime 10/13 releases hundreds of demonstrators arrested 10/3–9; Honecker announces leadership's willingness to confer with "all citizens." In Leipzig 10/16, 100,000 demonstrate peacefully for reform; 30,000 march in Dresden. SED Central Committee 10/18 announces retirement of Honecker, economics chief Günter Mittag and propaganda chief Joachim Herrmann. Krenz is named to succeed Honecker.

OCT. 9. Supreme Soviet of USSR approves bill giving workers right to strike for first time since Bolshevik Revolution; bill severely restricts conditions under which strike can be called, however, and forbids strikes in transportation, communica-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

tions, defense and power-supply sectors. Most of 26,000 miners in Arctic city of Vorkuta defy legislation to stage 1-day strike 10/26 to demand implementation of concessions won by miners in July strikes.

Oct. 12. Polish Solidarity-led government announces anti-inflation measures, including limit on indexing of wages to inflation and reduction of state subsidies, and promises "full introduction of market mechanisms and institutions" in 1990–91.

Oct. 18. Hungarian National Assembly votes to make 94 changes in constitution, deleting references to "leading role" in society of HSWP (now HSP), allowing free formation and functioning of political parties, establishing separation of government's executive, judicial and legislative branches, codifying civil and human rights, and renaming country—from "People's Republic of Hungary" to "Republic of Hungary." National Assembly 10/19 passes law formally legalizing opposition parties; votes 10/20 to disband Workers' Militia officially. Hungary 10/23 marks 33rd anniversary of 1956 uprising; President Mátyás Szürös, speaking before rally of 80,000 in Budapest, formally declares Hungary a free republic.

Oct. 23. Demonstrators estimated to number between 200,000 and 300,000 protest in Leipzig, East Germany, in opposition to government; similar crowds protest in Leipzig 10/30. Nearly 100,000 demonstrate in Dresden 10/26.

Oct. 24. Soviet Foreign Minister Eduard Shevardnadze arrives in Warsaw for 10/26 summit of Warsaw Pact foreign ministers. Shevardnadze meets with Polish Premier Mazowiecki 10/24 and with President Jaruzelski 10/25. Shevardnadze 10/26 calls for gradual dissolution of Warsaw Pact and NATO military alliances. Summit joint communiqué issued 10/27 calls for noninterference in affairs of sovereign nations.

Oct. 27. East Germany announces amnesty for citizens who have fled country and for those facing prosecution for demonstrating. East German leader Krenz visits Moscow 10/31–11/1; meets with Soviet President Gorbachev 11/1.

Oct. 28. 10,000 protesters gather in Prague's Wenceslas Square to mark 71st anniversary of founding of Czechoslovak Republic; when demonstrators ignore demands to leave square immediately, hundreds of riot police charge into crowd, beating protesters and arresting 355.

Oct. 30. Talks are held in Kuwait between representatives of Bulgaria and Turkey on issue of Bulgaria's Turkish minority.

Oct. 31. As result of petition circulated by opposition Alliance of Free Democrats and signed by 250,000 citizens, Hungarian National Assembly sets 11/26 as date for referendum on method of choosing nation's president; voters are to choose between popular presidential vote to be held 1/7/90, or parliamentary presidential vote to occur after free multiparty parliamentary elections are held later in 1990.

Nov. 1. East Germany reopens borders with Czechoslovakia; more than 5,000 East Germans camped at West German embassy in Prague depart for West Germany 11/3. 5 members of 18-member East German party Politburo resign 11/3, including ministers of state security and interior. Huge pro-democracy demonstration is held in East Berlin 11/4, attracting estimated 500,000 protesters. Premier Willi Stoph and his entire cabinet resign 11/7. Another 6 Politburo members are removed by special request of SED Central Committee 11/8; Hans Modrow, reformist party chief from Dresden, is appointed to Politburo along with 3 other men and is nominated as new premier by Central Committee. After estimated 50,000 East Germans flee country 11/2–9, East German government 11/9 announces that exit visas are to be granted "immediately" to all citizens, allowing them to leave country from all border crossing points without special permission—effectively opening country's borders, including Berlin Wall. Estimated 40,000 East Germans enter West Berlin 11/9–10, with all but 1,500 returning to East Germany after visit. West German leaders including Chancellor Helmut Kohl and former Chancellor Willy Brandt, gather in West Berlin 11/10 to applaud opening of Berlin Wall. East German leader Krenz 11/12 announces that extraordinary congress of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

SED will be held in December. Volkskammer (parliament) 11/13 confirms Modrow as premier. 200,000 demonstrate 11/13 in Leipzig demanding free elections. Modrow names new 27-member cabinet 11/17, including 11 noncommunist members drawn from parties nominally allied with SED. Modrow 11/17 disbands Ministry for State Security, or state police, renaming it Office of National Security and promising to reform it.

Nov. 3. Bulgarian environmentalist group Eco-Glasnost holds pro-democracy demonstration in Sofia; demonstrators are estimated to number 9,000. Bulgarian leader Zhivkov unexpectedly resigns as president and party general secretary 11/10. Communist Party Central Committee immediately names Foreign Minister Petar Mladenov to succeed Zhivkov as general secretary.

Nov. 4. Soviet state security chief Vladimir A. Kryuchkov admits in televised speech that KGB, then known as Committee for State Security, was one of "mechanisms of repression" used by Joseph Stalin; Kryuchkov pledges that such abuse will never happen again.

Nov. 12. Czechoslovak Premier Ladislav Adamec announces that Czechoslovaks will no longer need formal exit visas to travel to Yugoslavia and West.

Nov. 17. Rally in Prague, attended by 20,000 students, marking 50th anniversary of anti-Nazi protest held prior to outbreak of World War II, turns into antigovernment protest. Czechoslovak security forces attack approximately 1,500 students who attempt to enter Wenceslas Square; 100 are arrested, at least 13 are hospitalized. 2,000 gather in Prague 11/18 to protest rumored death of student in 11/17 protest; 10,000 stage antigovernment demonstration 11/19. Czechoslovak dissidents, including playwright Havel, meet in Prague 11/19; agree to form umbrella opposition organization Civic Forum. Peaceful rally is held in Prague 11/20, attended by more than 200,000 demanding free elections and resignation of Communist Party leader Miloš Jakeš; smaller demonstrations are held 11/20 in cities throughout Czechoslovakia. Premier Ladislav Adamec holds closed-door meeting with Civic Forum leaders in Prague 11/21; later Havel announces before crowd of 150,000 that Adamec promised not to impose martial law and to investigate charges of brutality against security forces, and that he expressed support for bringing noncommunists into Czechoslovak government. Alexander Dubček, Czechoslovak leader during "Prague Spring" of 1968, reemerges from official disgrace 11/23 to address crowd of 70,000 pro-democracy protesters in Bratislava; Dubček addresses crowd of 200,000 in Prague 11/24. At emergency session of party Central Committee 11/24, Jakeš and entire 12-member Politburo resign, along with entire party Secretariat. Central Committee 11/24 selects former Director of Department for Political Organization Karel Urbanek to be new general secretary; chooses new 13-man Politburo that includes 6 former members. Havel 11/25 tells Prague crowd estimated at 800,000 that government shake-up was "trick." Premier Adamec announces resignation 11/25, but stays on as caretaker; hard-line Prague party leader Miroslav Stepan also steps down. Central Committee 11/26 announces that it will call special Communist Party congress 1/26/90 to discuss party's future; Stepan and 2 other hard-liners are removed from Politburo. Millions of workers throughout Czechoslovakia stage 2-hour work stoppage 11/27 in support of pro-democracy movement. Premier Adamec 11/28 opens official power-sharing talks with Civic Forum negotiators headed by Havel; Adamec agrees to form government with noncommunist representation by 12/3, states support for removal from constitution of clause guaranteeing Communist Party's "leading role" in society, agrees to do away with Marxist-Leninist curriculum in schools. Czechoslovak parliament 11/29 removes "leading role" provision from constitution. Government announces 11/30 that border with Austria will be opened and all remaining restrictions on travel to West will be dropped. New party Politburo 12/1 declares that 1968 Warsaw Pact invasion of Czechoslovakia was "not justified."

Nov. 20. 14th Congress of Romanian Communist Party opens in Bucharest. Romanian leader Ceauşescu delivers 5-hour keynote address, calling Communist

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Party "vital center" of Romanian life. Congress 11/24 votes unanimously to reelect Ceauşescu to another 5-year term as party general secretary.

Nov. 26. Hungary holds national referendum to determine whether country's president should be chosen by direct elections or by new parliament in 1990. Voters support parliamentary election of president by margin of 51%-49%, seen as setback for presidential hopes of Socialist Minister of State Pószgay and victory for opposition groups lead by liberal Alliance of Free Democrats.

Dec. 1. East German Volkskammer (parliament) votes to revoke constitutional guarantee of SED's "leading role" in society. Special parliamentary committee 12/2 issues report concluding that former leader Honecker and associates lived in luxury and engaged in embezzlement, bribe-taking and currency speculation. At 12/3 emergency session of SED Central Committee, 12 party members suspected of involvement in corruption, including Honecker, former Premier Stoph, former labor relations chief Harry Tisch, former Erfurt regional party leader Gerhard Müller and former Honecker aide Alexander Schalck-Golodkowski, are expelled from party. Subsequently, entire Politburo, including General Secretary Krenz and Premier Modrow, resigns, followed by resignation of entire 163-member Central Committee, replaced by temporary 25-member "working group." (Krenz remains president of East Germany, and Modrow remains premier.) Tisch and Müller are arrested 12/3 on charges of misuse of power, along with former economy minister Mittag (expelled from party 11/23); Schalck-Golodkowski flees country to avoid arrest. Premier Modrow 12/4 announces intention to form special investigatory commission, including opposition members, to look into corruption scandal; airline flights from East Germany to Romania are suspended, apparently to prevent suspect officials from shipping out incriminating documents. Modrow, in Moscow for meeting of Warsaw Pact leaders, has "conversation" with Soviet President Gorbachev 12/4. East Germany 12/5 agrees to lift all restrictions on travel to East Germany by West Germans, effective 1/1/90. Honecker and other high officials suspected of corruption are placed under house arrest 12/5. Krenz resigns 12/6 as president and chairman of council of national defense; Manfred Gerlach, head of SED-allied Liberal Democratic Party, is named interim president; National Defense Council dissolves itself. Schalck-Golodkowski surrenders to West Berlin police 12/7. Roundtable talks between SED, allied parties and opposition groups including New Forum agree 12/7 to set 5/6/90 as date for free general elections. SED extraordinary congress convenes 12/8. State prosecutor's office 12/8 charges Honecker, Stoph and Deputy Premier Günther Kleiber with corruption and abuse of power; Stoph and Kleiber are placed under arrest. SED congress 12/9 elects Gregor Gysi as new party chairman; votes to abandon traditional politburo/central committee structure in favor of 100-member commission headed by executive board; rejects German reunification but votes to support notion of some form of confederation with West Germany. Leadership of German Sports and Gymnastics Union, East German national sports authority, resigns 12/11 amid outcry over privileged status of athletes. 200,000 demonstrate in Leipzig 12/11, demanding German reunification.

— Officials in Soviet Ukraine announce they will legally register congregations in Ukrainian Catholic Church.

Dec. 3. Czechoslovak Premier Adamec announces new cabinet containing non-communist members; opposition Civic Forum rejects cabinet, which contains 16 Communists (including 13 from old cabinet) and only 5 noncommunists, all drawn from parties historically allied with Communist Party and none appointed to key economic or security posts. 200,000 protest in Prague 12/4, demanding more broadly based government. Civic Forum 12/4 announces it will become political party and field candidates when Czechoslovakia holds free elections. Czech republic (along with Slovakia, one of country's 2 constituent republics) 12/5 announces formation of new cabinet, majority of whose members are noncommunists. Adamec 12/6 threatens to resign unless new cabinet is allowed to take office. Civic Forum 12/7 delivers to Adamec list of persons it would like to have named to new cabinet;

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Adamec resigns in protest. President Gustáv Husák names Communist Minister without portfolio Marian Calfa to succeed Adamec. Roundtable discussions are held 12/8 between Calfa and representatives of Socialist and People's parties and Civic Forum; Communists agree to form cabinet with noncommunist majority and to give noncommunists key portfolios. President Husák resigns 12/10, immediately after swearing in 21-member cabinet headed by Calfa and containing 10 Communists, 11 noncommunists (7 independents and 2 members each from Socialist and People's parties); parliament is given 14 days to elect new president. Dissident Jiri Dienstbier is appointed foreign minister, and noncommunists are chosen as deputy prime minister, finance minister and minister of labor and social affairs; Communists retain defense ministry. No interior minister is appointed; security forces are placed under cabinet-level special committee. 150,000 celebrate in Wenceslas Square 12/10; dissident Havel and former leader Dubček both announce candidacy for presidency 12/10. Nationwide general strike planned for 12/11 is called off by opposition.

DEC. 6. Supreme Soviet of Lithuania votes overwhelmingly (219 members for, 1 against, 30 abstaining and 84 absent) to abolish political monopoly of Communist Party in republic. Lithuanian Soviet 12/7 votes 243–1, with 39 abstentions, to legalize opposition political parties.

DEC. 7. 9 independent opposition groups in Bulgaria, including Eco-Glasnost, merge to form Union of Democratic Forces. Central Committee of Bulgarian Communist Party votes 12/8 to remove 4 full and 2 candidate members of Politburo; Central Committee also votes for removal of 22 full members and 4 candidate members of committee itself, including deposed leader Zhivkov. 50,000 pro-democracy demonstrators hold march in Sofia 12/10. Bulgarian leader Mladenov, in speech before Central Committee plenum 12/11, announces support for free elections and end to party's "leading role" in society; Mladenov 12/12 tells Central Committee that Bulgaria's foreign debt is more than $10 billion. Central Committee 12/13 expels Zhivkov from party. 20,000 protesters surround parliament building in Sofia 12/14, demanding immediate end to Communist Party's political monopoly.

DEC. 8. *Pravda* prints front-page article suggesting possibility that Article Six of Soviet constitution, guaranteeing to Communist Party "leading role" in society, might eventually be dropped. Soviet President Gorbachev, before meeting of party Central Committee, threatens to resign if conservative opposition to his reform program continues. Soviet parliamentary opposition coalition, Inter-Regional Group, 12/10 cancels plans for 12/11 2-hour general strike supporting free parliamentary debate on abandoning Article Six. Second session of Congress of People's Deputies opens in Moscow 12/12. Gorbachev tells legislature that it is not yet time to discuss abandoning Article Six; Congress votes 1,138–839 to postpone debate. Premier Ryzhkov presents Congress with modest economic plan calling for increased emphasis on consumer economy.

DEC. 14. Andrei Sakharov, leading dissident and member of Congress of People's Deputies, dies of heart attack in Moscow. 50,000 view Sakharov's body 12/17 as it lies in state.

— Czechoslovak Foreign Minister Dienstbier says at press conference that October 1968 agreement allowing Soviet troops to be stationed in Czechoslovakia was signed under duress and is invalid. Czechoslovak parliament 12/19 schedules parliamentary presidential election for 12/29; votes overwhelmingly to approve program, worked out in "roundtable" negotiations, to hold free elections 6/90 and radically liberalize social and economic systems. Emergency party congress votes 12/20 to remove party Chairman Urbanek and replace him with former Premier Adamec; reformist youth organizer Vasil Mohorita is named to new office of first secretary, in charge of internal party administration. Soviet President Gorbachev and Czechoslovak Premier Calfa meet in Moscow; agree to open negotiations on issue of Soviet troops in Czechoslovakia. Communist Party 12/21 ousts former chief ideologist Vasil Bil'ák and 31 others; votes to disband People's Militias.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

DEC. 16. Hundreds of Romanians battle security forces in Timişoara when police attempt to evict and deport Rev. László Tökes, who has protested for human rights of Romania's ethnic Hungarians. As many as 10,000 are reported to protest 12/17 in Timişoara against rule of Romanian leader Ceauşescu; security forces, acting on Ceauşescu's orders, open fire, reportedly killing several hundred. Ceauşescu departs Romania 12/18 on state visit to Iran. Clashes continue in Timişoara 12/18–19, with reports that protesters are shot from helicopters and army tanks. Ceauşescu returns to Bucharest 12/20, makes television speech denouncing Timişoara demonstrators as "fascist reactionary groups"; Romanian radio declares state of emergency in western part of country, but army withdraws from Timişoara. Ceauşescu is shouted down 12/21 during public speech in Bucharest, where government forces clash with approximately 10,000 protesters, killing at least 13, but failing to disperse crowd. Widespread violence breaks out throughout Bucharest 12/22; Ceauşescu declares martial law; Defense Minister Col. Gen. Vasile Milea refuses to enforce martial law and is killed by security forces. When protesting crowds storm Central Committee building and key armed forces leaders join uprising, Ceauşescu and wife, Elena, flee by helicopter to Tîrgovişte, 45 miles northwest of Bucharest, but are captured later same day. Former Foreign Minister Corneliu Mănescu appears on television to declare he is heading Council of National Salvation, taking power until free elections can be held. Security police, who remain loyal to Ceauşescu, stage counterattack against army in Bucharest. Mass graves containing bodies of hundreds of demonstrators are unearthed in Timişoara. Soviet government 12/22 hails overthrow of Ceauşescu regime as "the will of the Romanian people." Soviet President Gorbachev 12/23 says he will confer with Warsaw Pact allies on providing "assistance" to new government of Romania. Security police continue to combat army forces 12/23 in Bucharest, Timişoara, Sibiu and other cities. Ion Iliescu, former Central Committee member ousted by Ceauşescu and now opposition leader, announces plans to abandon Communist Party's monopoly on power and adopt pluralist system. Secretary of State Baker says 12/24 that US would not object if USSR and other Warsaw Pact nations rendered military assistance to Romanian uprising. Ceauşescu and wife are tried 12/25 before "extraordinary military court" on charges of genocide and attempting to flee country to collect more that $1 billion secreted abroad; they are condemned to death and executed. Ceauşescu's trial and body are shown on national television 12/26; shooting in Bucharest slackens. Council of National Salvation 12/26 names Iliescu interim president, until elections slated for 4/90; dissident engineering professor Petre Román is named prime minister and new cabinet is appointed.

DEC. 17. Polish Deputy Prime Minister Leszek Balcerowicz introduces to parliament package of austerity measures aimed at slowing inflation, expected to reach annual rate of 900% by year's end; package includes ceiling on wages and strict financial rules for enterprises that may force many bankruptcies. Sejm approves legislation 12/28, Senate 12/29.

DEC. 19. Soviet Congress of People's Deputies approves, by vote of 1,532–419, economic reform package, which delays price reforms and other market innovations. Opposition members propose vote of no confidence in government, which is defeated 1,685–199. Congress 12/24 votes to condemn Nazi-Soviet nonaggression pact signed before World War II and secret protocols dividing Eastern Europe into spheres of influence.

— Leadership of Yugoslavian republic of Serbia vetoes President Marković's plan to introduce drastic free-market measures into Yugoslavian economy. Half million Serbian workers stage brief strike 12/20 against radical economic reform.

DEC. 20. Lithuanian Communist Party Congress, meeting in Vilnius, votes overwhelmingly to declare independence of party leadership in Moscow, and Lithuanian party leader Algirdas Brazauskas announces party's intention to establish "an independent democratic Lithuanian state." Gorbachev announces 12/21 that he views Lithuanian action with "alarm"; Gorbachev 12/23 says in impromptu

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

speech before Council of People's Deputies that efforts of secessionists will "sow discord, bloodshed and death." After Soviet Central Committee emergency session 12/25–26 is unable to suggest precise course of action, it is reported that Gorbachev plans to travel to Lithuania to consult with rank-and-file members of Lithuanian party. 40,000 march in Vilnius 12/27 in support of Lithuanian party. Latvia's parliament 12/28 votes 220–50 to delete from republic's constitution reference to Communist Party's "leading role."

DEC. 27. Bulgarian government and opposition Union of Democratic Forces agree to open negotiations on political future of country; opposition cancels general strike scheduled for 12/28. 10,000 demonstrate 12/28 in Sofia for faster reform. Communist Party Central Committee 12/30 announces to hundreds of ethnic Turks demonstrating outside National Assembly that full civil rights will be restored to them "immediately."

DEC. 28. Former Czechoslovak reformist leader Dubček is unanimously elected chairman of national parliament. Dissident Havel is unanimously elected president 12/29 by parliament.

EAST-WEST RELATIONS

Jan. 15. Conference on Security and Cooperation in Europe, nearing completion of 26-month meeting in Vienna, adopts enhancement of 1975 Helsinki Final Act, known as Vienna Concluding Document, emphasizing freedom of religion, information, travel and privacy. Foreign ministers of CSCE nations 1/17–19 formally approve document. Review conference concludes 1/19.

FEB. 11–17. US Secretary of State James A. Baker III tours capitals of 15 NATO member nations.

FEB. 20–21. West German Chancellor Helmut Kohl and British Prime Minister Margaret Thatcher meet in Frankfurt; talks conclude in disagreement over issue of Lance tactical nuclear missiles based in West Germany, which Britain and US want to modernize—a position opposed by Bonn.

MAR. 2. Mutual and Balanced Force Reduction talks in Vienna close permanently by common consent in light of their limited effect on European armed forces levels. New forum opens 3/6 in Vienna: Conventional Forces in Europe (CFE) talks, limited to members of NATO and Warsaw Pact. Eduard Shevardnadze, foreign minister of USSR, 3/6 presents Warsaw Pact's initial negotiating stance: first-stage cuts of troops, main battle tanks, combat aircraft, armored personnel carriers and artillery by 10%-15% on both sides over 2–3 years, followed by additional cuts of 25%, and finally by agreements by both sides to limit themselves to "strictly defensive" forces. West's initial proposal, presented by British Foreign Secretary Sir Geoffrey Howe, calls for ceilings on conventional arms of 400,000 main battle tanks, 33,000 artillery pieces and 56,000 personnel carriers. Negotiations begin 3/9.

APR. 5. Soviet President Mikhail Gorbachev arrives in London, meets with Prime Minister Thatcher 4/6, departs 4/7.

APR. 7. Soviet nuclear submarine catches fire and sinks in international waters off Norway. Soviet news agency TASS announces 4/9 that 42 crew members died.

APR. 20. NATO's Nuclear Planning Group, made up of member-nation defense ministers, sides with West Germany against US, advising that immediate decision is not necessary on whether to upgrade NATO's Lance missiles. In compromise, Nuclear Planning Group merely argues that arsenal should be kept "up to date." West German Chancellor Kohl 4/27 calls for "early" talks with Eastern bloc to reduce short-range missile levels in Europe.

APR. 25. 1,000 Soviet tanks withdraw from Hungary, first stage of unilateral Soviet withdrawal of 10,000 battle tanks and 50,000 troops from Eastern Europe by 1991. Soviets announce 5/5 that 1,000 tanks have already been withdrawn from East Germany.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

MAY 2. President Bush approves subsidized sale to Soviet Union of 1.5 million tons of wheat.

MAY 10. US Secretary of State Baker begins visit to Moscow; meets with Foreign Minister Shevardnadze to discuss resuming Strategic Arms Reductions Talks (START) on hold since 11/88. Baker meets with Soviet President Gorbachev 5/11; Soviet leader states that USSR will unilaterally reduce nuclear forces in Eastern Europe by 500 warheads and announces proposal for asymmetrical reductions designed to achieve equal European conventional force levels by 1997. Baker, returning to US, stops off at NATO headquarters in Brussels to meet with West German Foreign Minister Hans-Dietrich Genscher. President Bush 5/12 states it is "time to move beyond containment" and "seek the integration of the Soviet Union into the community of nations."

MAY 23. Soviet negotiators to CFE talks propose that Warsaw Pact and NATO alliance each reduce forces to ceiling of 20,000 main battle tanks, 28,000 armored personnel carriers and 24,000 artillery pieces by 1997. Soviets also accept in principle US proposal that no single member of either alliance should have more than 30% of maximum amount of conventional forces for its alliance, and that no member of either alliance should have more than 3,200 main battle tanks stationed outside its national boundaries.

MAY 29–30. Leaders of NATO countries meet in Brussels to mark alliance's 40th anniversary; President Bush 5/29 presents 4-part plan to be presented at CFE talks, including: ceiling of 20,000 main battle tanks, 28,000 personnel carriers and 16,500 artillery pieces for each bloc; reduction by both sides of helicopters and land-based fighter aircraft to 15% below current NATO level, with aircraft withdrawn from Europe to be destroyed; reduction of manpower levels in Europe by both US and USSR to 275,000 troops, with withdrawn troops to be demobilized; call for CFE agreement on force cuts no later than 5/90. Summit's final communiqué 5/30 calls for NATO to reach agreement on reducing conventional forces before submitting Lance missiles to East-West negotiations.

JUNE 12. Soviet President Gorbachev arrives in Bonn; holds private talks with Chancellor Kohl and President Richard von Weizsäcker. Kohl and Gorbachev 6/13 sign joint declaration supporting national self-determination, mutual reduction in nuclear and conventional forces, and "Common European Home" in which Canada and US have role. Gorbachev 6/14 visits high-tech industries in Baden-Württemberg state and steelworks in Dortmund before departing.

JUNE 19. START negotiations resume in Geneva. Space weapons negotiations in Geneva also resume.

JUNE 26. Soviet nuclear submarine suffers emergency reactor shutdown near Norway's Bear Island, forcing submarine to return to Murmansk.

JULY 4. Soviet President Gorbachev arrives in Paris for 3-day visit to France. Meets with President François Mitterrand 7/4–5. Gorbachev travels to Strasbourg 7/6 to address Council of Europe; says Soviet Union will reduce short-range nuclear missile arsenal "without delay" if NATO agrees to enter negotiations on short-range missiles; offers to remove all Soviet nuclear weapons from territory of Warsaw Pact allies if US takes similar step in NATO territory; also indicates that USSR will not intervene to stop political changes in Hungary and Poland.

JULY 9. US President Bush arrives in Warsaw, is greeted by Polish leader Wojciech Jaruzelski. Bush tours Warsaw, meets with Jaruzelski and addresses joint session of parliament 7/10; outlines US aid program for Poland, including: $100-million "Polish-American Enterprise Fund"; support for rescheduling of Polish foreign debt; support for Poland to receive $325-million World Bank loan; $15 million for environmental cleanup effort near Kraków. Bush 7/11 travels to Gdańsk; Bush meets with Solidarity leader Lech Wałęsa, who presents economic reconstruction plan calling for $10 billion in US aid; Bush makes speech at Gdańsk's Lenin Shipyard; Bush travels on to Budapest. Bush meets 7/12 with HSWP President Rezső Nyers, General Secretary Károly Grósz, Minister of State

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Imre Pózsgay and Premier Miklós Németh; Németh presents Bush with plaque bearing barbed wire removed from Austrian-Hungarian border; Bush also makes speech at Karl Marx University calling for creation of $25-million fund to aid Hungarian enterprises and exemption from annual reconsideration of most-favored-nation trade status if Hungary liberalizes emigration policy. Bush leaves Budapest for Paris 7/13.

JULY 15. President Gorbachev sends letter to summit of 7 leading industrial democracies saying Soviet Union is interested in becoming more integrated in world economy. President Bush responds 7/16, "I think it's premature."

JULY 17. Poland and Vatican restore diplomatic relations.

SEPT. 9. Soviet dissident politician Boris Yeltsin arrives in New York for 8-day speaking tour of US. Yeltsin 9/12 meets at White House with National Security Adviser Brent Scowcroft; they are joined briefly by President Bush. Yeltsin concludes visit with trips to Baltimore, Chicago and several other cities. Italian newspaper *La Repubblica* 9/14 prints article accusing Yeltsin of drinking heavily and engaging in excessive shopping spree in US; *Pravda* creates stir in Moscow by reprinting article 9/18.

SEPT. 21. Soviet Foreign Minister Shevardnadze arrives in Washington; Shevardnadze delivers letter from Soviet President Gorbachev to President Bush reportedly agreeing to US insistence that either country be allowed to cease observing 1972 Anti-Ballistic Missile (ABM) Treaty on 6 months notice, and reportedly agreeing to destroy controversial Soviet radar station at Krasnoyarsk. Shevardnadze and Secretary of State Baker meet for talks 9/22–23, in Jackson Hole, WY, where they reportedly reach tentative agreement for 1990 Bush/Gorbachev summit. Shevardnadze 9/22 announces that US-Soviet disagreement on Star Wars/ABM issues should not stand in way of superpower accord on strategic weapons. Shevardnadze and Baker 9/23 sign "understandings" on several issues including prior notification of nuclear tests and exchange of data on chemical weapons and strategic arms stockpiles.

SEPT. 23. British Prime Minister Thatcher, returning from 9/19–22 visit to Japan, visits Moscow, meets with Soviet President Gorbachev.

OCT. 1. Soviet Defense Minister Dmitri Yazov arrives in US for 6-day visit. Yazov meets 10/6 at Pentagon with US Defense Secretary Dick Cheney.

OCT. 3. European Community foreign ministers, meeting in Luxembourg, approve plan to provide $325 million in emergency financial aid to Poland and Hungary in 1990. West Germany announces 10/12 it will provide Poland with export credits valued at $1 billion; Canadian Prime Minister Brian Mulroney 10/12 offers Poland $36 million in export credits; Italian Prime Minister Giulio Andreotti 10/19 promises Poland $400 million in export credits.

OCT. 4. White House, under strong pressure from Congress, announces that President Bush will ask Congress for additional $200 million in economic aid to Poland, contingent on Polish agreement with International Monetary Fund on economic restructuring program.

OCT. 7–11. US Federal Reserve Chairman Alan Greenspan travels to Moscow to consult with Soviet officials on constructing market-oriented financial system for USSR.

OCT. 16. US Secretary of State Baker, speaking in New York, says, "We want perestroika to succeed," and offers to provide USSR with advisers to help salvage its economy.

OCT. 23. Soviet Foreign Minister Shevardnadze, in speech before Supreme Soviet, admits his country's 1979 intervention in Afghanistan "violated the norms of proper behavior . . . [and] general human values," and concedes that Soviet radar installation at Krasnoyarsk is violation of 1972 ABM Treaty.

OCT. 25. Soviet President Gorbachev arrives in Helsinki for 3-day visit to Finland; meets with Finnish President Mauno Koivisto. At state banquet 10/25, Gorbachev becomes first Soviet leader to acknowledge explicitly Finland's neutral-

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

ity. Gorbachev and Koivisto 10/26 sign joint declaration advocating "absolute respect" for internal affairs of other countries.

Oct. 31. US President Bush announces he will meet with Soviet President Gorbachev in "informal" summit on US and Soviet naval vessels off coast of Malta 12/2–3. Bush tells reporters that he still plans "full-scale" summit to be held in US in spring or early summer 1990.

Nov. 9. West German Chancellor Kohl arrives in Warsaw; holds talks with Premier Tadeusz Mazowiecki and Solidarity founder Wałęsa. Kohl is forced to return to West Germany 11/10–11 by opening of East German borders; he announces 11/11 that he will travel in December to meet with East German leader Egon Krenz. Kohl returns to Poland 11/12, travels to Silesia to speak before ethnic Germans; 11/14 visits Auschwitz, before returning to Bonn.

Nov. 10. Solidarity founder Wałęsa arrives in Canada for 4-day visit before proceeding on to US 11/13–20. President Bush greets Wałęsa at White House 11/13 and awards him Medal of Freedom. Wałęsa addresses joint session of Congress 11/15; calls for new Marshall Plan to rebuild economies of Eastern Europe and criticizes US for offering little financial support.

Nov. 14. *Pravda* publishes commentary by President Gorbachev; he denounces calls in West for "exporting capitalism" and cautions that Western interference in East European political changes would be "big mistake."

Nov. 17. Leaders of EC meet in emergency session in Paris to discuss recent changes in Eastern Europe. British Prime Minister Thatcher announces EC's continued desire that security concerns be handled by NATO; West German Chancellor Kohl tells meeting that prospect of increased ties between East and West Germany will not interfere with Bonn's commitment to EC.

Nov. 20. Canadian Prime Minister Mulroney arrives in Moscow for 6-day visit to USSR. Mulroney meets with Soviet President Gorbachev 11/21. Mulroney 11/23 visits Ukrainian capital of Kiev, where Ukrainian nationalists stage demonstration; Canadian leader departs 11/25.

Nov. 28. In speech before Bundestag, West German Chancellor Kohl outlines 10-point proposal for confederation between West and East Germany. Kohl proposes that, following free elections in East Germany, "common governmental committee for permanent consultation and political harmonization" be set up, along with "common technical committee" and "common parliamentary committee." Kohl also offers to help modernize East Germany's transportation and telephone systems, and to create hard currency fund to aid East Germany. Opposition Social Democratic Party expresses qualified support for Kohl plan 11/28 and again 11/30. Soviet foreign ministry 11/29 criticizes Kohl's proposal as attempt to push East German reform process "in a nationalist direction."

Nov. 29. Soviet President Gorbachev, en route to Malta summit, arrives in Italy; gives speech 11/30 in Rome city hall in which he sketches out notion of "Common European Home" as commonwealth of sovereign and economically interdependent nations, proposes 1990 meeting of CSCE. Gorbachev meets 12/1 with Pope John Paul II at Vatican; pope blesses Gorbachev's reform efforts, and they agree to work to establish diplomatic relations; Gorbachev invites pope to visit Soviet Union.

Dec. 1. US President Bush arrives in Malta, along with Secretary of State Baker, National Security Adviser Scowcroft and White House Chief of Staff John H. Sununu, to attend summit with Soviet President Gorbachev. Gorbachev also arrives 12/1. Bush meets with Maltese Prime Minister Eddie Fenech Adami and President Vincent Tabone 12/1. Summit talks begin 12/2 aboard Soviet cruise ship *Maxim Gorky*; US delegation meets with Gorbachev, Foreign Minister Shevardnadze, Chairman of Committee for International Policy Aleksandr N. Yakovlev and special foreign policy adviser Anatoly F. Dobrinin. Bush presents US proposals: bilateral agreement banning shipboard tactical nuclear weapons; strategic arms control treaty to be signed by June 1990; treaty on mutual reduction of conventional forces to be signed before end of 1990; end to US chemical weapons

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

production as soon as all nations capable of producing such weapons have signed international convention outlawing them; liberalization of US-Soviet trade, contingent on further easing of Soviet emigration policy; Soviet efforts to control supply of Soviet-made weapons reaching leftist rebels in El Salvador; US-Soviet cooperation on Olympic Games proposed for Berlin in year 2004. Gorbachev presents no major proposals, but gives Bush classified Soviet map of US naval and military installations, designed to show Soviets feel themselves surrounded by US military power. Afternoon meeting and US-Soviet dinner canceled due to stormy seas. Second meeting held 12/3, again aboard *Maxim Gorky*. Summit concludes 12/3 with hour-long joint news conference; both leaders pronounce themselves pleased with summit, but Gorbachev and Bush disagree on culpability of Soviets in receipt of arms by Salvadoran rebels.

DEC. 4. President Bush meets NATO leaders in Brussels to brief them on Malta summit. Bush also pledges continued US commitment to defense of Europe and addresses potential reunification of Germany, proposing that it be gradual, that Germany retain commitments to NATO and EC, and that post-World War II borders settled at 1975 Helsinki Conference be respected. Bush also hails continued EC integration and calls for CSCE revitalization to address changes in Eastern Europe.

— Soviet President Gorbachev meets with leaders of Warsaw Pact nations in Moscow. After they are briefed on Malta summit by Gorbachev, leaders of USSR, Bulgaria, East Germany, Hungary and Poland issue statement condemning 1968 Warsaw Pact invasion of Czechoslovakia as interference in internal affairs of sovereign nation.

DEC. 6. French President Mitterrand meets in Kiev with Soviet President Gorbachev to discuss Malta summit; Mitterrand, saying "I am not afraid of reunification," warns West Germany not to push so hard for reunification that it would upset balance of power in Europe.

DEC. 8. South Korea and Soviet Union announce plans to open consular offices in each other's capitals, though offices will not have official consular status.

DEC. 11. Ambassadors to West Germany of US, France and Great Britain, and Soviet ambassador to East Germany, gather in West Berlin in first meeting of 4 victorious World War II powers in 18 years. Group issues statement stressing importance of maintaining "stability" "in and around Berlin" and supporting easing of restrictions on flights into Berlin.

— West German Chancellor Kohl, addressing meeting of his Christian Democratic Union in West Berlin, defends proposal for German reunification; denies he is suggesting German "confederation" and says Germans will not move toward unity without consulting US and USSR.

DEC. 12. Secretary of State Baker delivers major policy speech before Berlin Press Club in West Berlin; suggests strengthening of "institutional and consultative links" between US and EC, increased role for NATO in arms control and settlement of regional disputes, and increased political relations between NATO and Eastern bloc to be conducted through CSCE. Baker 12/12 travels to Potsdam, East Germany, where he meets with East German Premier Hans Modrow and Lutheran Church leaders.

DEC. 13. Foreign ministers of 24 Western nations meet in Brussels; announce plan to create $1-billion emergency stabilization fund to support Polish economic reform, and approve idea of $1-billion loan to Hungary. Similar provisions for other East European countries are discussed.

DEC. 18. EC and USSR sign 10-year commercial agreement in Brussels ending EC quotas on most Soviet products and calling for cooperation in tourism, banking, nuclear energy production and other areas.

DEC. 19. West German Chancellor Kohl and East German Prime Minister Modrow meet in Dresden; announce they will open Berlin's Brandenburg Gate as border crossing and remove remaining restrictions on cross-border movement

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

before Christmas. German leaders also announce plans to sign, by next spring, agreement on social, cultural and economic ties between Germanys. Kohl 12/20 calls for "right to self-determination in Central Europe"; departs 12/20. French President Mitterrand arrives in East Berlin 12/20; meets with Modrow 12/21 and calls for caution in German reunification and for closer links between East Germany and Western Europe. Kohl and Modrow 12/22 preside as Brandenburg Gate is reopened.

THE MIDDLE EAST AND THE PERSIAN GULF

JAN. 30. Iranian Foreign Minister Ali Akbar Velayati and Syrian Foreign Minister Farouk al-Shara', meet in Damascus, reach agreement on cease-fire between rival Lebanese Shi'ite Muslim militias. Under agreement, Syrian-backed Amal is to control southern Lebanon, and Iranian-sponsored Hezbollah is to have military presence there; Syrian forces are to maintain order in Hezbollah-dominated southern suburbs of Beirut.

FEB. 14. Fighting breaks out in East Beirut between Lebanese army troops of Christian military government led by Gen. Michel Aoun, and Christians under leadership of Lebanese Forces militia chief Samir Geagea; Aoun's forces prevail 2/17. US evacuates 12 embassy workers to Cyprus 2/17 after embassy is hit by shellfire.

— Iranian leader Ayatollah Ruhollah Khomeini issues statement calling on Muslims to "execute" Indian-born British author Salman Rushdie, whose novel *The Satanic Verses* he calls "blasphemous"; Khomeini also calls for death to all involved in book's publication. British Foreign Office 2/15 suspends efforts to normalize Iranian-British relations. Member states of European Community 2/20 agree to withdraw ambassadors or heads of mission in Tehran in protest; Iran recalls most of its ambassadors to EC nations 2/21. Iran breaks relations with Britain 3/7.

FEB. 22. Soviet Foreign Minister Eduard Shevardnadze, promoting UN-sponsored international Middle East peace conference, meets with Israeli Foreign Minister Moshe Arens in Cairo; they agree to continue diplomatic contacts at foreign minister level. Shevardnadze travels to Iraq 2/23–25, meets with President Saddam Hussein 2/24. Travels to Iran 2/25, meets with Ayatollah Khomeini; Khomeini makes public statement that Soviet withdrawal from Afghanistan allows improved Soviet-Iranian relations.

MAR. 6. Lebanese army forces of Gen. Aoun close 3 ports south of Beirut controlled by Muslim militias. Druse Progressive Socialist Party (PFP) troops exchange shellfire with Christian forces near Beirut 3/11. Worst artillery shelling in 3 years erupts 3/14 between Christian and Muslim forces in Beirut; Aoun announces campaign to oust Syrian troops from Lebanon. Car bomb explodes 3/17 in Christian East Beirut, killing 12 and wounding more than 120. Israel reports 3/28 that over 10,000 refugees have fled into Israeli "security zone" in south Lebanon.

MAR. 10. Israeli Foreign Minister Arens begins week-long visit to US. State Department officials 3/11 announce new proposal for Middle East peace negotiations. Suggestions include: end to Israeli administrative detention and deportation; reduction of Israeli troop presence in heavily Palestinian areas; more freedom of movement into and out of Israeli occupied territories. In return US offers to urge Palestine Liberation Organization (PLO) to moderate Palestinian uprising (*intifadeh*) in occupied territories and to halt raids into Israel from Lebanon.

MAR. 15. Israel returns to Egypt beach at Taba, only piece of Sinai Peninsula retained by Israel after 1979 peace agreement with Egypt.

MAR. 28. Ayatollah Hossein Ali Montazeri, designated successor to Ayatollah Khomeini as leader of Iran, is forced to resign, following Montazeri's recent criticism of Khomeini's rule and Iranian strategy in Iran-Iraq War.

— US State Department announces it will accept Iraqi offer of $27.3 million in

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

compensation to families of 37 Americans killed in 5/87 Iraqi attack on frigate USS *Stark*.

APR. 3. Egyptian President Hosni Mubarak meets in Washington with President Bush to discuss *intifadeh*. Israeli Prime Minister Yitzhak Shamir arrives US 4/4, meets with President Bush 4/6. Shamir announces some details of Israeli proposal including elections in occupied territories to choose "interlocutors" to negotiate with Israel on establishing "self-governing administration." Jordan's King Hussein visits Bush in Washington 4/19; expresses qualified support for elections.

APR. 16. Israeli Prime Minister Shamir presents proposal for elections in occupied territories. In meeting with press 4/17, Shamir and Likud bloc allies reject army withdrawal from Arab population centers during elections and refuse to allow international election observers. Israeli cabinet 5/14 votes 20–6 to approve peace proposal.

APR. 18. Riots break out in southern Jordan over price increases imposed as part of economic austerity program. By 4/20, 10 people are reported killed. King Hussein cuts short visit to US 4/21 to return to Jordan; Prime Minister Zaid al-Rifa'i resigns 4/24 and is replaced 4/27 with Field Marshal Sharif Zaid ibn Shaker.

APR. 28. Cease-fire in Lebanon, negotiated by Arab League in Tunis 4/26–27, goes into effect. Gen. Aoun agrees 5/3 to suspend blockade of Muslim ports. Truce breaks down 5/4 when Christian forces return Syrian harassing shellfire. Grand mufti of Lebanon, Sheik Hassan Khaled, moderate leader of Lebanon's Sunni Muslims, is killed 5/16 along with 21 others in car bomb explosion in Beirut.

MAY 2. PLO Chairman Yasir Arafat, after meeting with French President François Mitterrand in France, says 25-year-old Palestinian National Charter, which calls for destruction of Israel, has been "superseded."

MAY 22. US Secretary of State James A. Baker III, in speech to American Israel Public Affairs Committee (AIPAC), pro-Israel lobbying group, calls on Israel to renounce claims to occupied territories and urges it to begin dialogue with Palestinians. Israeli Prime Minister Shamir 5/23 calls Baker's speech "useless."

MAY 23. Arab League opens emergency summit in Casablanca, Morocco, to address Palestinian *intifadeh* and situation in Lebanon. Egypt attends Arab League gathering for first time in nearly 10 years. Disagreement between Syria and Iraq over Lebanon extends summit until 5/26. Summit endorses international peace conference on Palestine and agrees that elections in Israeli occupied territories can take place only after Israeli withdrawal.

JUNE 3. Iranian leader Khomeini dies in Tehran. Assembly of Experts, made up of Shi'ite theologians, 6/4 elects President Hojatolislam Seyed Ali Khamenei as supreme religious leader. Khomeini is buried 6/6 amid chaotic mourning by crowds in Tehran estimated between 3 million and 10 million.

JUNE 20. Ali Akbar Hashemi Rafsanjani, speaker of Iranian parliament, travels to Moscow to meet with Soviet President Mikhail Gorbachev. Gorbachev and Rafsanjani 6/22 release communiqué declaring "new stage" in Soviet-Iranian relations, confirming that USSR is willing to supply arms to Iran.

JULY 5. Israeli Prime Minister Shamir agrees to 4 restrictions on his peace plan, pressed by right-wing leaders of Likud bloc: Palestinian elections cannot take place until *intifadeh* has ended; Arabs in East Jerusalem cannot run for office or vote; Jewish settlement of occupied territories will continue; no sovereign Palestinian state will ever be established. Executive bureau of Israel Labor Party votes 7/10 to advise that Labor pull out of Israel's governing coalition. Cabinet 7/23 votes 21–4 to approve Shamir peace plan, apparently without 7/5 restrictions.

JULY 17. US offers to pay compensation of between $100,000 and $250,000 to survivors of each of 290 victims of USS *Vincennes*' 6/88 shootdown of Iranian passenger jet.

JULY 28. Iranian parliamentary speaker Hojatolislam Ali Akbar Hashemi Rafsanjani is elected president 7/28, capturing 95% of votes. Rafsanjani is sworn in 8/3.

— Israeli commandos kidnap Sheik Abdul Karim Obeid, regional spiritual

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

leader of Hezbollah militia, from southern Lebanese village, apparently to force release of Israeli soldiers captured in Lebanon. Organization for the Oppressed on Earth, kidnappers of US Marine Lt. Col. William R. Higgins, announce 7/30 that they will hang Higgins next day unless Israel releases Obeid. Videotape showing Higgins' hanged body is delivered to West Beirut newspaper 7/31. Revolutionary Justice Organization announces 7/31 it will kill American hostage Joseph James Cicippio 8/1 if Obeid is not released. Israeli Defense Minister Yitzhak Rabin 7/31 offers to trade Obeid and more than 100 Lebanese detainees for all Israeli and Western hostages held in Lebanon. US President Bush says 8/1 that Syria, Saudi Arabia and Soviet Union have been asked to help defuse situation. Revolutionary Justice Organization 8/1 announces 48-hour extension of deadline for Cicippio's execution. *The New York Times* reports 8/2 that CIA reports indicate that Higgins was killed before 7/31. Several US warships are reported headed for eastern Mediterranean 8/2. Cicippio's captors 8/3 suspend death sentence. Iranian President Rafsanjani offers to help mediate hostage crisis 8/4. Revolutionary Justice Organization 8/6 offers to release Cicippio if Israel frees Obeid, 150 Lebanese and 300 Palestinian detainees; Israel maintains 7/31 offer.

AUG. 13. Syrian forces and Druse and Palestinian militia allies launch assault on Christian stronghold near Beirut; forces of Gen. Aoun turn back attack. France 8/17 sends aircraft carrier *Foch* to join 3 warships already positioned near Lebanon.

AUG. 19. Iranian President Rafsanjani nominates 22-member cabinet, without including Interior Minister Ali Akbar Mohtashemi, powerful radical with close ties to Islamic fundamentalists in Lebanon. Rafsanjani's cabinet is approved by Majlis (parliament) 8/29.

SEPT. 5. 1,000 Lebanese Christian students blockade US embassy in Beirut, demanding that US recognize government of Gen. Aoun. US 10/6 closes embassy and evacuates ambassador and entire 29-member staff.

SEPT. 16. Arab League committee of representatives from Algeria, Morocco and Saudi Arabia issues Lebanon peace proposal calling for immediate cease-fire, lifting of sea blockades and embargo of weapons shipments to Christian and Muslim forces; both Syria and Iraq reportedly agree to honor arms embargo. UN Security Council 9/20 votes unanimously to support Arab League plan. Christian leader Gen. Aoun accepts Arab League plan 9/22. 63 members of Lebanese parliament meet under Arab League auspices in Taif, Saudi Arabia, 9/30 to seek lasting peace accord. Leaders of Druse militia and Shi'ite Amal and Hezbollah groups meet in Tehran 10/4; reject peace negotiations.

SEPT. 18. Egyptian President Mubarak and Israeli Defense Minister Rabin meet in Cairo, Mubarak proposes 10-point peace plan including Israeli acceptance of "land for peace" formula, halt to Jewish settlements in occupied territories, right of East Jerusalem residents to vote, withdrawal of Israeli troops from polling places on election day and observation of election by international monitors. Mubarak 9/23 claims PLO support for peace plan. President Bush meets 9/26 with Israel Labor Party leader Shimon Peres and Israeli Foreign Minister Arens in New York. US Secretary of State Baker meets with Arens and Foreign Minister 'Abd al-Meguid of Egypt at UN 9/28. Mubarak addresses UN General Assembly 9/29, says conditions favorable for Israeli-Palestinian talks "without preconditions"; meets with President Bush in Washington 10/2. Israeli cabinet in vote 10/6 splits 6–6 over proposal for preliminary Israeli-Palestinian talks in Cairo, thus rejecting proposal.

OCT. 22. Lebanese parliament members meeting in Taif, Saudi Arabia, agree on new constitution increasing political power of Lebanon's Muslims; new charter calls for parliament and cabinet to be shared equally between Christians and Muslims. Lebanese president is to be Christian and prime minister Sunni Muslim, but powers of presidency are to be cut back. Agreement also calls for Syrian troops to remain in Lebanon while reforms are put in place. Gen. Aoun rejects agreement 10/22–23. New constitution is formally approved by Lebanese parliament 10/24.

NOV. 5. Israeli cabinet votes 9–3 to approve plan put forward by US Secretary of

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

State Baker for talks between Israel, Egypt and US to determine who should represent Palestinians of occupied territories in talks to be held between Israel and Palestinian representatives in Cairo. Israeli Prime Minister Shamir 11/15 meets in Washington with Secretary Baker and President Bush to discuss Israeli demands for assurances from Washington that only non-PLO Palestinians would take part in talks and that talks would be limited to discussing election plans.

— 57 members of Lebanese parliament meet at Syrian-controlled air base in northeast Lebanon and elect as president René Moawad, Syrian-backed moderate Christian. Aoun rejects vote as "illegal." Mobs of Aoun's supporters riot in East Beirut 11/5–7. Moawad 11/13 appoints moderate Sunni Muslim Selim al-Hoss as premier.

Nov. 6. US agrees to return to Iran $567 million in Iranian assets frozen in US banks since Iranian Revolution of 1979, under terms negotiated by Iranian-US Claims Tribunal in The Hague.

Nov. 8. Parliamentary elections are held in Jordan, with some 650 candidates competing for 62 contested seats in new 80-seat parliament. Islamic fundamentalist group, Muslim Brotherhood, captures 20 seats; other Islamic organizations win 12; Arab nationalists take 7 seats; leftist candidates win 4. Prime Minister Mudar Badran 12/6 names 23-member cabinet including 6 Muslim fundamentalists, but no members of Muslim Brotherhood.

Nov. 22. Lebanese President Moawad is assassinated when bomb explodes next to his motorcade; 23 others are killed. 52 members of parliament meet 11/24 in Syrian-controlled town, Shtaura; elect Christian politician Elias Hrawi. Moawad is buried 11/25; general strike is observed in Muslim and Christian areas to mourn death. President Hwari 11/25 names cabinet headed by reappointed Premier Hoss; Gen. Aoun pronounces Hwari's election "unconstitutional as that of Moawad." Maronite Christian bishops 11/28–12/1 negotiate between Hwari and Aoun. French President François Mitterrand 11/28 sends Director General of Foreign Ministry François Scheer to meet with Hwari and Aoun. 30 right-wing French legislators 11/30 join Aoun in Lebanon to show solidarity; French government dispatches landing vessel to Lebanon 11/30, to participate in possible evacuation of French civilians. Hwari 12/6 announces he will resign if dispute with Aoun is not settled.

Dec. 6. US State Department issues official "Baker Plan" for Israeli-Palestinian talks. Plan calls for US, Egyptian and Israeli foreign ministers to set terms of later talks, to be held in Cairo, between Israel and Palestinians concerning elections in occupied territories. Under Baker Plan, Egyptians are to consult with Palestinians. Egypt agrees to terms of Baker Plan 12/6; Israeli cabinet accepts 12/7, insisting that Cairo talks include only non-PLO Palestinians.

Dec. 7. Iraq announces test launching of large, 3-stage ballistic missile to carry satellites for research purposes.

Dec. 14. About 100 PLO guerrillas attack Syrian Army outpost in southern Lebanon; police report 6 attackers killed. PLO in Tunis condemns raid. Fighting between rival Shi'ite Hezbollah and Amal militias in southern Lebanon 12/23–24 leaves 28 dead and 55 injured.

Dec. 23. South African Anglican Archbishop Desmond Tutu arrives in Jerusalem for Christmas pilgrimage, announces support for Palestinian state and for Israel's "independence and territorial integrity."

SOUTH ASIA

Jan. 2. Ranasinghe Premadasa is inaugurated president of Sri Lanka. Martial law is lifted 2/12. Premadasa's United National Party wins majority of 125 seats in 225-member National Assembly 2/15.

Jan. 10. Leadership of Afghan rebel mujahedeen groups convene in Islamabad, Pakistan, to form new Afghan government; deliberations suspended because of disputes between Pakistan- and Iran-based guerrillas.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

JAN. 15. USSR reports that last Soviet troops have left Afghanistan. US State Department 2/15 announces that military aid will continue to go to Afghan rebels.

FEB. 18. President Najibullah of Afghanistan declares state of emergency. Afghan Prime Minister Mohammad Hasan Sharq resigns 2/20, is replaced by Soltan Ali Keshtmand, appointed chairman of Council of Ministers 2/21.

FEB. 23. 7 chief Afghan rebel groups meet in Peshawar, Pakistan; elect provisional government-in-exile. Mujahedeen select moderate Sibghatullah Mojaddidi president and Islamic fundamentalist Abdul Rasul Sayaf premier. US hails formation of rebel government but withholds recognition.

MAR. 7. Between 10,000 and 15,000 Afghan rebels launch offensive against eastern city of Jalalabad, held by 12,000 government troops. Rebel advance stalls outside city 3/12; by 3/24 Soviet diplomats in Kabul state that battle is stalemated.

MAY 3. Ranjan Wijeratne, Sri Lanka's minister of defense and foreign affairs, announces that 45,000-member Indian peacekeeping force will be withdrawn by end of 1989.

MAY 22. India test fires medium-range ballistic missile capable of carrying nuclear warhead.

JUNE 5. Pakistani Prime Minister Benazir Bhutto arrives in US; visits with President Bush at White House 6/6 to discuss peaceful solution to war in Afghanistan. Bhutto addresses joint session of Congress 6/7; states that Pakistan's nuclear energy program is devoted to peaceful purposes. Bhutto gives commencement speech at Harvard 6/8, and speaks before UN 6/9, before departing 6/10.

JUNE 13. Transport workers strike begins in Colombo. President Premadasa links strike to militant Sinhalese group, People's Liberation Front (JVP); Premadasa 6/20 declares state of emergency. Sri Lankan government and Tamil Tigers 6/28 announce cease-fire.

JULY 4–9. Afghan army breaks rebel siege of Jalalabad.

JULY 18. Indian government's comptroller and auditor release report critical of government, defense ministry and army for roles in scandal concerning 1986 purchase of artillery guns from Swedish arms manufacturer AB Bofors.

JULY 29. Indian troops begin partial withdrawal from Sri Lanka.

AUG. 30. One-day nationwide strike to protest Indian Prime Minister Rajiv Gandhi's alleged involvement in Bofors arms scandal shuts almost all shops, businesses and public transport.

SEPT. 18. India and Sri Lanka sign accord providing for withdrawal of Indian troops from Sri Lanka; India agrees to "make all efforts" to withdraw troops by 12/31. Cease-fire between Indian troops and Liberation Tigers of Tamil Eelam begins 9/16.

OCT. 5. US President Bush certifies to Congress that Pakistan does not possess atomic bomb.

OCT. 13. Governing Congress party in India loses 2 votes to introduce changes in system of local government into constitution. Prime Minister Gandhi 10/15 announces parliamentary elections will be held 11/89, 2 months ahead of schedule.

NOV. 1. No-confidence vote in Pakistan's parliament is supported by 107 members, short of 119 needed to remove from power Prime Minister Bhutto's government, which has been criticized for inefficiency and corruption.

NOV. 13. Rohana Wijeweera, leader of radical Sinhalese guerrilla group JVP is killed in shootout while in government custody. JVP second-in-command Upadissa Gamanayaka is killed escaping from security forces.

NOV. 22–26. Parliamentary elections are held in India to fill 525 seats in Lok Sabha (lower house). Ruling Congress (I) remains largest single party, but drops to 192 seats from 415 it won in 1984 elections; allied southern Indian party captures 11 seats. Combined opposition parties capture more than enough seats for majority: Janata Dal, or People's Party (which forms vast majority of opposition National Front coalition), wins 141 seats; 2 groups associated with it win 3 seats;

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

right-wing Bharatiya Janata Party (Indian People's Party) wins 88 seats; 4 leftist groups take 51 seats. Prime Minister Gandhi 11/29 announces resignation. Vishwanath Pratap Singh of National Front Coalition forms minority government in alliance with rightist and leftist opposition parties 12/1; Singh promises to investigate corruption and devote more government attention to rural India. Singh is sworn in as prime minister 12/2; announces 15-member cabinet 12/5.

DEC. 29. Indian parliament repeals 1987 constitutional amendment that allowed civil rights to be suspended in strife-ridden Punjab state.

EAST ASIA AND THE PACIFIC

CHINA AND NORTHEAST ASIA

JAN. 7. Japanese Emperor Hirohito dies of cancer. Prince Akihito ascends throne.

JAN. 31. South Korean prosecutors announce 47 arrests in special investigation into corruption and human rights abuses under former President Chun Doo Hwan. Those charged include Chun's intelligence chief, several relatives of Chun and former mayor of Seoul.

FEB. 1. Soviet Foreign Minister Eduard Shevardnadze arrives in Beijing for 4-day visit. China and USSR jointly announce 2/5 that Soviet leader Mikhail Gorbachev will visit China 5/15–18. China and USSR 2/6 release statement of agreement on Cambodia, calling for prompt withdrawal of Vietnamese occupying troops and international peacekeeping force to oversee withdrawal.

FEB. 24. Emperor Hirohito is buried, attended by approximately 700 foreign dignitaries, including President Bush. Scores of bilateral meetings take place in Tokyo 2/23–25; China and Indonesia announce they will restore diplomatic relations. President Bush travels to China 2/25 for 3-day visit; meets with Premier Li Peng 2/25; with Chinese leader Deng Xiaoping 2/26. Chinese dissident Fang Lizhi is prevented from attending banquet hosted by Bush 2/26; Chinese officials 2/27 blame US for incident; Bush defends invitation. Bush arrives in South Korea 2/27, makes anti-protectionism speech before national assembly.

MAR. 2. 75 Vietnamese refugees in Hong Kong are returned to Vietnam under new voluntary repatriation program; Vietnamese government has made assurances that returnees will not face penalties. ASEAN announces 3/13 new policy by which Vietnamese refugees attempting to enter any member country will have to prove they face persecution.

MAR. 5. Approximately 600 protesters demanding Tibetan independence are fired upon by police in Lhasa; 10 protesters and 1 policeman are reported killed.

MAR. 20. National People's Congress, China's legislature, opens annual session. Premier Li addresses Congress, warns of austerity in near future, but vows no return to overcentralized economic order. In press conference 4/3, Li announces China has no intention of undertaking sweeping political reforms like those considered by Soviet Union. Congress adjourns 4/4.

APR. 11. Japanese Prime Minister Naboru Takeshita appears before Diet to answer questions about personal involvement in Recruit Company stock trading and influence-peddling scandal. Takeshita admits receiving over $700,000 in political contributions from Recruit but denies contributions were illegal.

APR. 15. Former Chinese Communist Party leader Hu Yaobang dies; hundreds of mourners gather at Beijing University with posters critical of Chinese leadership. More than 1,000 students stage pro-democracy demonstration in Shanghai 4/16. As many as 10,000 protesting students gather in Beijing's Tienanmen Square 4/18, many calling for resignation of leadership. Between 20,000 and 40,000 gather in Tienanmen Square 4/19, demand to present grievances to Premier Li; demonstration broken up by police early 4/20. More than 100,000 students and workers protest in Tienanmen Square 4/22 on day of Hu's funeral; government warns

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

future demonstrators will be "dealt with severely." Rioting breaks out in Xian and Changsha 4/22–23. Beijing University students 4/24 declare boycott of classes.

APR. 25. Japanese Prime Minister Takeshita announces he plans to resign after Diet approves budget. Diet approves budget 4/28.

APR. 27. Between 100,000 and 150,000 students march through Beijing. Student group meets 4/29 with spokesman for state council, but students later dismiss talks as inadequate.

MAY 3. 6 South Korean policemen attempting to rescue colleagues held hostage by rioting students in Pusan are killed in barricade fire. 4 students are charged with murder and arson.

MAY 4. More than 100,000 students protest in Beijing on anniversary of student uprising in 1919. More than 1,000 Chinese journalists sign petition for press freedom presented to government 5/9. About 1,000 students in Tienanmen Square begin hunger strike 5/13 demanding televised meeting with China's leaders.

MAY 12–15. Students stage protest rallies throughout South Korea accusing government of covering up police murder of student activist Kee Chol Kyu. Peaceful protest march in Seoul 5/18 is attended by 100,000 people.

MAY 15. Soviet leader Gorbachev arrives in Beijing for first Sino-Soviet summit in 30 years. Gorbachev meets with Chinese leader Deng 5/16; the leaders discuss Cambodia but reach no agreement; Gorbachev proposes "radical military détente" along Sino-Soviet border. 250,000 protesters gather in Tienanmen Square 5/16, demanding resignation of China's leaders. Over one million demonstrate in Tienanmen Square 5/17; demonstrations occur in 20 other Chinese cities. Gorbachev, in speech to Chinese intellectuals 5/17, says he will remove 120,000 Soviet troops from Soviet Far East, along with 11 air force regiments and 16 warships. Gorbachev 5/18 visits Shanghai and then departs China; China and USSR release joint communiqué hailing summit as "watershed event." Premier Li and Communist Party Chairman Zhao Ziyang visit Tienanmen Square 5/18. Some Western news agencies report that Zhao either resigns or is stripped of power 5/19.

MAY 17. Taiwan's Premier Yü Kuo-hua resigns in interest of unity of ruling Kuomintang; resignation is accepted by President Lee Teng-hui 5/21. Lee 5/24 appoints Lee Huan as premier.

MAY 20. Chinese Premier Li declares martial law in Beijing shortly after midnight, but troops take no action against demonstrators. More than one million Chinese demonstrate throughout Beijing 5/20; some blocking military convoys. Hunger strike, which had spread to include over 3,000 strikers, ends 5/21. More than 500,000 march in Shanghai 5/23–24.

MAY 25. Chinese Premier Li is shown on television, indicating he has survived power struggle; Western journalists report 5/26 that documents condemning Chairman Zhao are circulating within leadership of Communist Party. In Shanghai 5/28 protest demonstration draws 100,000 students; similar protest in Beijing draws 30,000. Students 5/29–30 erect statue of "Goddess of Democracy" in Tienanmen Square. Government 6/1 imposes restrictions on foreign press, banning coverage of demonstrations or troop movements. *People's Daily* reports 6/2 that army has taken up "10 key positions" around capital; 100,000 demonstrate in Tienanmen Square 6/2.

JUNE 2. Japanese Prime Minister Takeshita's resignation becomes effective as Foreign Minister Sosuke Uno is elected by Diet to succeed him.

JUNE 3. Rumors that police deliberately kill 4 bicyclists 6/2–3 result in demonstrations by hundreds of thousands in Beijing. Demonstrators violently confront soldiers and police 6/3. Chinese troops begin all-out assault on Tienanmen Square shortly after midnight 6/4. Troops are reported to slay hundreds of demonstrators; soldiers are also reported to have been beaten and killed by protesters. Demonstrators are ordered to leave square at about 4:00 am; they vote to comply. Government announces "rebellion has been suppressed." Protests erupt 6/4 in Taipei, Hong Kong and Macao. Chinese troops sporadically fire on civilians in Beijing 6/5–8.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

JUNE 5. President Bush announces sanctions against Chinese government, including suspension of military sales. Dissident Fang and wife take refuge in Beijing US embassy 6/5. US State Department advises Americans to leave Beijing 6/6; State Department 6/7 orders evacuation of dependents of diplomatic personnel. US government 6/20 suspends all high-level contacts between US and Chinese governments; encourages international financial organizations "to postpone consideration" of Chinese loan applications.

JUNE 8. Premier Li appears on Chinese television, praising army troops. Deng appears on television 6/9 for first time since 5/16, along with Li and President Yang Shangkun. More than 400 are arrested in Beijing 6/10. All independent student and worker organizations are ordered disbanded 6/11. 3 workers in Shanghai are sentenced to death 6/15 for setting fire to train that had run over and killed 6 protesters 6/6; they are executed 6/21. 17 people are executed 6/21 in Janin for activities related to pro-democracy protests, and 7 more in Beijing 6/22. Communist Party Central Committee meets in secret session in Beijing 6/23–24; Central Committee 6/24 blames Chairman Zhao for fostering "counterrevolutionary rebellion" and strips him of all party leadership posts; Jiang Zemin, party chief in Shanghai, is named to replace Zhao. Party propaganda chief Hu Qili is removed from Politburo's 5-member standing committee. Li Ruihuan, mayor of Tianjin, and Song Ping, conservative economist, replace Zhao and Hu on standing committee. Communist Party 6/25 officially calls for purge of all members who supported pro-democracy movement. China issues general recall of ambassadors from around world 6/28 for consultations.

JUNE 25. In Japanese parliamentary by-election, candidate of ruling Liberal Democratic Party (LDP) is easily defeated by Socialist candidate. LDP wins only 41 seats in 128-seat Tokyo metropolitan assembly in elections held 7/2; Japan Socialist Party increases strength from 12 seats to 36.

JUNE 28. Deng Xiaoping speaks on Chinese television, praising army for crushing "counterrevolutionary rebellion," calling for elimination of "spiritual pollution" and stating China's policy of economic liberalization will continue. Standing committee of National People's Congress 6/30 officially removes Zhao as party chairman.

JULY 2–4. British Foreign Secretary Sir Geoffrey Howe visits Hong Kong to assure colony of concern over Chinese military crackdown; angry crowds denounce Britain's refusal to allow Hong Kong citizens holding British passports to seek refuge in UK.

JULY 11. Japan announces $43-billion foreign aid program aimed at protecting world environment and assisting indebted developing countries.

JULY 23. In Japanese parliamentary elections, ruling LDP loses majority in 256-seat upper house of Diet; of 126 seats contested, LDP captures 36, opposition Japan Socialist Party wins 46 and remaining seats are split among other parties and independents. Vote leaves LDP with 109-seat plurality in upper house, but combined total of opposition parties at 143 seats; JSP, with 67 seats, controls largest opposition bloc. LDP continues to control government, as more powerful lower house retains LDP majority. Prime Minister Uno 7/24 takes responsibility for election setback and resigns pending election of successor. Former Education Minister Toshiki Kaifu is elected prime minister 8/9, winning in lower house of Diet, although upper house majority votes for JSP leader Takako Doi.

AUG. 25. South Korean opposition leader Kim Dae Jung is indicted on charges of accepting $10,000 from South Korean politician who made secret visit to North Korea.

SEPT. 11. South Korean president Roh Tae Woo unveils proposal for "Korean Commonwealth" to share council of presidents, council of cabinets and council of representatives which would together decide bilateral policy issues. North Korean official newspaper *Rodong Shinmun* 9/15 denounces proposal.

OCT. 1. 40th anniversary of Communist Party rule in China is celebrated with

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

parades in Tienanmen Square amid tight security; celebration is boycotted by nearly all Western-bloc diplomats; Eastern-bloc countries generally send low-level officials.

Oct. 5. Norwegian Nobel Committee awards 1989 Peace Prize to Dalai Lama, exiled political and religious leader of Tibet, for nonviolent efforts to free Tibet from Chinese domination.

Oct. 15. South Korean President Roh Tae Woo arrives in US for 6-day visit. Meets with President Bush at White House 10/17. Roh addresses joint session of Congress 10/18; cautions against any sharp reduction of US troops in South Korea.

Oct. 20. Former President Ronald Reagan arrives in Japan for 9-day visit as guest of Fujisankei Communications Group.

Oct. 25. South Korea agrees to purchase 120 advanced jet fighter planes from US; most planes are to be constructed in South Korea under license from US manufacturer. Seoul 12/20 announces selection of McDonnell Douglas as US partner in deal.

Oct. 28. Former President Richard Nixon travels to China for private talks with Chinese leaders. Nixon meets with Deng 10/31; Deng puts much of blame for Tienanmen Square crackdown on US; Nixon sharply criticizes Chinese leadership at banquet 11/1. Nixon returns to US 11/2; briefs President Bush at White House dinner 11/5.

Nov. 30. President Bush vetoes bill passed by Congress to permit all Chinese citizens in US on student visas to remain until 6/90. Bush 12/19 waives congressional ban on loans to firms that do business with China, imposed after Tienanmen Square crackdown, and approves plans to sell Chinese 3 communications satellites.

Dec. 2. Taiwan holds free parliamentary and municipal elections. Ruling Kuomintang wins 72 of 101 seats up for election in 276-member Legislative Yüan; chief opposition party, Democratic Progressive Party, captures 21 seats, independents win another 8. In mayoral elections, Kuomintang wins 14 of 21 positions open, DPP takes 6 and independent wins 1.

Dec. 9. US mission headed by National Security Adviser Brent Scowcroft and Deputy Secretary of State Lawrence S. Eagleburger arrives in Beijing for meeting with Chinese leadership. Scowcroft and Eagleburger meet 12/9 with Foreign Minister Qian Qichen. US envoys meet 12/10 with Premier Li, Communist Party General Secretary Jiang and Chinese leader Deng, and reportedly urge that dissident Fang be allowed to depart China. Scowcroft and Eagleburger 12/10 fly to Tokyo; brief Japanese leaders on US-Soviet Malta summit. White House annouces 12/18 that Scowcroft and Eagleburger made secret journey to China in July; White House states earlier visit was made to underscore US shock and concern after Tienanmen Square crackdown.

Dec. 12. British colonial government of Hong Kong deports 51 Vietnamese "boat people" to Hanoi, asserting that the 57,000 Vietnamese refugees in Hong Kong are unbearable burden and that the deportees could not prove they would face persecution in Vietnam. US 12/12 protests further deportations "until conditions improve in Vietnam." British foreign ministry official says 12/13 that there will be no more deportations in 1989, but that they are planned to resume in 1990. 40 are injured 12/29 in riot and clash with police in Hong Kong refugee camp.

Dec. 31. Deposed South Korean President Chun Doo Hwan testifies before National Assembly about 8-year martial law rule; Chun's testimony is cut short when fistfights break out in assembly hall.

Southeast Asia and the Pacific

Jan. 6. Cambodian President Heng Samrin announces that Vietnam will complete withdrawal of occupation forces by September if peace settlement in Cambodian civil war is reached before then.

Feb. 19. Indonesian Foreign Minister Ali Alatas hosts talks in Jakarta among 4

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

main factions in Cambodian civil war. Participants include Vietnamese-backed Phnom Penh government, communist Khmer Rouge rebels, noncommunist Khmer People's, and forces loyal to Prince Norodom Sihanouk. Negotiations break down over composition of interim government to serve until national elections can be held; talks are halted 3/21.

APR. 5. Cambodian Premier Hun Sen announces that Vietnam will withdraw all of its 70,000 soldiers in Cambodia by 9/30. Prince Sihanouk and Hun stage 2-day meeting in Jakarta beginning 5/2; Sihanouk 5/3 says he is willing to return to Cambodia as head of state if Hun agrees to multiparty system and to establishment of coalition government consisting of 4 major parties currently contesting power in Cambodia.

APR. 21. Lt. Col. James N. Rowe, US military adviser to Philippine army, is shot to death in Manila. Communist New People's Army 4/22 takes responsibility for assassination.

JUNE 13. 60-nation conference in Geneva under auspices of UN to discuss Vietnamese emigration adopts compromise plan allowing screening of "boat people" to determine if they are political or economic refugees; conference recommends that economic refugees be encouraged to return voluntarily.

JUNE 19. Military government of Burma changes official name in English to Union of Myanmar, and name of capital from Rangoon to Yangon. Government also reopens primary schools, closed more than year earlier because of widespread antigovernment protests.

JULY 6. US Secretary of State James A. Baker III gives US backing to negotiations between Vietnamese-supported Cambodian Prime Minister Hun and opposition leader Prince Sihanouk, shifting US position that Hun's government is illegitimate.

JULY 20. Leading Burmese opposition figure Aung San Suu Kyi, as well as opposition figure Tin Oo, are placed under house arrest in Yangon. Aung San Suu Kyi begins hunger strike 7/20; ends strike 8/14.

JULY 30. Cambodian peace conference attended by representatives of 19 nations and Cambodian parties contesting power convenes in Paris. US and several Asian representatives 7/30 urge Khmer Rouge be barred from any future Cambodian government; position is contested by Chinese representative. Prince Sihanouk 8/27 announces resignation as head of Cambodian resistance coalition. Peace talks conclude 8/30 after making no headway.

AUG. 7. New Zealand Prime Minister David Lange resigns, citing ill health. Labour Party 8/8 elects Deputy Prime Minister Geoffrey Palmer as Lange's successor. Palmer 8/11 appoints Lange attorney general and minister of state.

SEPT. 21. Vietnam begins final pullout of troops remaining in Cambodia.

SEPT. 28. Former Philippine President Ferdinand Marcos dies in exile in Honolulu; is buried in Hawaii 10/15. Philippine Supreme Court rules 10/27 that President Corazon Aquino has constitutional power to forbid return of Marcos' body.

OCT. 9. Pope John Paul II arrives in Jakarta for 6-day visit to Indonesia. Pope visits rebellious province of East Timor 10/12–14.

OCT. 23. Khmer Rouge announces it has captured key Cambodian town of Pailin, 10 miles from Thai border.

NOV. 7. Philippine President Aquino arrives in US for 6-day visit. Aquino meets with President Bush at White House 11/9; Bush pledges to continue economic and security assistance to Philippines.

NOV. 24. Australian Foreign Minister Gareth Evans proposes UN administer Cambodia on temporary basis to ensure that all Vietnamese troops have left, enforce cease-fire and organize elections.

DEC. 1. Between 1,500 and 3,000 members of Philippine armed forces, apparently organized by outlaw Col. Gregorio Honasan and accusing government of corruption and incompetence, mount coup attempt against President Aquino. Rebels attack military bases in suburban Manila, bombard capital and presidential

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

palace, and seize international airport in Cebu. In response to request from Aquino, President Bush 12/1 allows 2 US F-4 jets to provide air support for loyal troops and discourage rebels from launching further airborne bombing missions. Rebel soldiers 12/2 seize control of Manila financial district, trapping approximately 2,000 foreigners, including 200 Americans, in hotels there. Vice President Salvador H. Laurel 12/3 calls on Aquino to resign and indicates his approval of coup attempt. After negotiating cease-fire with government 12/6, rebel forces allow most foreigners to flee financial district. Aquino 12/6 declares nationwide state of emergency. Government and coup leaders reach agreement 12/7 allowing rebels to surrender and be treated "humanely, justly and fairly," but government promises harsh retribution against coup leaders. Rebels return to bases 12/7, but 400 rebels remain in control of Cebu airport until 12/9. President Aquino addresses crowd of 100,000 in Manila 12/8, calling on Vice President Laurel to resign and criticizing other leading opposition figures. Philippine Congress 12/13–14 approves 6-month extension of emergency powers for Aquino.

DEC. 22. Khmer Rouge forces claim to have captured town of Anlong Veng, district capital in northern Cambodia.

LATIN AMERICA

Mexico, Central America and the Caribbean

Jan. 23. Farabundo Martí National Liberation Front (FMLN), coalition of Salvadoran leftist rebel groups, offers to take part in presidential elections, if they are delayed 6 months from scheduled date of 3/19 and if army troops are confined to barracks on election day. Salvadoran president José Napoleón Duarte rejects plan 1/25. US Vice President J. Danforth Quayle visits El Salvador 2/3, emphasizes US concern with human rights. In talks held in Oaxtepec, Mexico, between Salvadoran political parties and rebels, FMLN 2/21 offers to end revolt and join "nation's political life" if government reduces army from 60,000 to 12,000, dissolves national guard and police and reorganizes them as single force, and punishes rightists responsible for politically motivated atrocities. Salvadoran armed forces 2/22 call FMLN proposals "nefarious" and demand rejection.

JAN. 25. Gen. Gustavo Alvarez Martínez, chief of Honduran military from 1982 until ousted in 1984, is assassinated in Tegucigalpa; leftist Cinchonero Popular Liberation Movement takes responsibility.

JAN. 30. Nicaraguan government announces economic austerity measures that would slash government spending by 44% and result in laying off of 35,000 government workers.

FEB. 9. In Jamaican elections, Michael Manley of social democratic People's National Party defeats ruling center-right Jamaican Labour Party of Prime Minister Edward Seaga. Manley's party wins 57% of vote to JLP's 43%. Manley is sworn in as prime minister 2/13.

FEB. 14. Presidents of 5 Central American countries (Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica) agree to draft, within 90 days, in cooperation with UN, plan to close Nicaraguan contra bases in Honduras and relocate contras to Nicaragua or third countries. Nicaragua agrees to hold presidential, legislative and municipal elections no later than 2/25/90, and to allow observation by international monitors. Signatories also agree to halt aid to rebel forces in other countries and to negotiate cease-fires with rebels within own borders.

FEB. 26. Salvadoran President Duarte offers to postpone elections for 6 weeks from scheduled 3/19 date and proposes direct talks in Guatemala with rebels, to begin 2/28. Salvadoran military declares unilateral truce 2/28, to begin 3/1; rebels 2/28 agree to talks, but demand they be held in El Salvador, and that elections be delayed until September. Rebels 3/1 reject truce as publicity ploy, and 3/3 call for boycott of 3/19 elections.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

MAR. 12. Salvadoran military admits that 2 of its officers are responsible for 9/88 massacre of 10 peasants in village of San Francisco previously blamed on leftist rebels; officers and 7 others are turned over to Salvadoran courts for trial. US Ambassador William G. Walker calls move "a breakthrough."

MAR. 19. Presidential elections are held in El Salvador. Rebels attempt to disrupt voting by attacking 23 towns; 19 soldiers, 39 rebels and 3 journalists are reported killed. Voting is not held in 19 municipalities controlled by rebels. Candidate of right-wing National Republican Alliance (ARENA), Alfredo Cristiani, captures nearly 54% of vote, defeats Christian Democratic Candidate Fidel Chávez Mena, who places second with 36%. Conservative National Coalition Party candidate Rafael Morán Castaneda wins 4% of vote; leftist Democratic Convergence coalition candidate Guillermo Manuel Ungo takes 3%. US State Department announces 3/20 that US relations with El Salvador will depend on Cristiani government's "adherence to democracy and respect for human rights."

MAR. 24. President Bush and leaders of Congress agree on accord to grant Nicaraguan contra rebels $4.5 million per month in nonlethal aid until 2/90, when Nicaraguan elections are scheduled; aid is to end if contras engage in military operations prior to elections.

APR. 2. Soviet leader Mikhail Gorbachev arrives in Cuba, meets with Fidel Castro for talks 4/3. Gorbachev speaks before National Assembly 4/4, attacks export of revolution or counterrevolution, departs Cuba 4/5.

— Officers of elite Haitian military battalion, angered by dismissal of 4 officers for drug trafficking, arrest Haitian President Prosper Avril, who is later rescued by members of presidential guard. Government declares state of emergency and curfew in Port-au-Prince 4/5. Loyalist troops capture barracks of rebellious battalion 4/9.

APR. 11. Mexico announces tentative agreement with International Monetary Fund (IMF) for $3.64 billion loan to be used in meeting Mexico's obligations to repay its $104-billion foreign debt.

APR. 18. Nicaragua's National Assembly passes new electoral law providing for "free and fair" elections to be held 2/25/90 and allowing President Daniel Ortega to appoint 5-member Supreme Electoral Council, including 3 members from Sandinista party and 2 from opposition. Assembly also passes new media law revoking censorship and permitting political groups equal broadcast time on government-controlled television. Ortega signs bills 4/22.

APR. 19. Attorney General Roberto García Alvarado of El Salvador is killed by car bomb. Salvadoran government blames rebels for assassinating García; previously unknown group Gerardo Barrios Civic Forces claims responsibility.

MAY 7. Panama stages presidential elections; international observers and Roman Catholic Church report Democratic Alliance of Civic Opposition candidate Guillermo Endara captures election by 3-to-1 margin, but candidate supported by strongman Gen. Manuel Antonio Noriega, Carlos Duque, claims victory. Government troops 5/8 raid vote-counting centers; 10,000 demonstrators march in support of Endara and are fired upon by troops. Government 5/9 releases partial results showing Duque in lead with 66%, Endara with 32%; ADOC figures show Endara with 68% of vote, Duque with 29.9%. Former US President Jimmy Carter, in Panama to observe elections, charges fraud. President Bush denounces election; calls on Noriega to resign. Government 5/10 annuls election, charging "obstruction by foreigners." Members of government-organized paramilitary "dignity battalions" break up protest in Panama City, severely injuring Endara and vice presidential candidates Ricardo Arias Calderón and Guillermo Ford, and killing Ford's bodyguard. President Bush 5/11 sends 2,000 additional US troops to Panama to protect US citizens and property. US ambassador returns to Washington 5/15. Organization of American States (OAS), meeting in Washington 5/17, passes resolution calling for "peaceful transfer to democracy" and condemning election abuses by Noriega.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

MAY 9. Several air force officers lead 300 Guatemalan troops in coup attempt in Guatemala City, apparently aimed at overthrowing defense minister Maj. Gen. Héctor Alejandro Gramajo Morales, not President Vinicio Cerezo; attempt is foiled by loyal troops without violence. 20,000 demonstrators show support for Cerezo 5/10.

MAY 16. White House charges that, although Soviet leader Gorbachev wrote to US President Bush, in letter sent week earlier, that USSR would cease military aid to Nicaragua, there is evidence that Nicaragua continues to receive Soviet arms shipments.

MAY 25. 2 diplomatic officers at US embassy in Managua are expelled from Nicaragua; Sandinista government charges them with fomenting wildcat strike among Nicaraguan teachers.

MAY 26. Mexico and IMF agree to allow Mexico $4.08 billion in loans over next 3 years. Mexico and Club of Paris group of foreign creditors 5/30 announce agreement by which Mexico will pay portion of its debt over 10 years, instead of 3 years as originally negotiated.

JUNE 1. Alfredo Cristiani is sworn in for 5-year term as president of El Salvador; Cristiani swears in cabinet same day.

JUNE 9. Salvadoran Minister of the Presidency José Antonio Rodríguez Porth is assassinated in San Salvador. Military blames FMLN.

JUNE 11. US Vice President Quayle arrives in Guatemala on 4-day visit to Central America. Quayle 6/12 sees Guatemalan President Vinicio Cerezo and Honduran President José Azcona Hoyo. Quayle holds talks 6/13 in El Salvador with rightist politician Roberto d'Aubuisson and leftist leaders Rubén Zamora and Guillermo Ungo; is reported to lecture d'Aubuisson on human rights and to request that Zamora and Ungo urge rebels to lay down arms. Quayle flies to Costa Rica 6/13; meets with President Oscar Arias Sánchez; returns to US 6/14.

JUNE 14. Gen. Arnaldo Ochoa Sánchez, Cuba's most-decorated military hero, is arrested on charges of drug trafficking. Arrest of 6 other high-ranking military and interior ministry officers is announced 6/16. Cuba 6/29 announces dismissal of Interior Minister José Abrantes Fernández, government's third-ranking official; he is replaced with Gen. Abelardo Colome Ibarra. Military court 7/7 condemns Ochoa and 3 other high-ranking officers to death, and jails 10 other military and interior ministry officers. Convicted men are executed 7/13.

JULY 2. Ernesto Ruffo, candidate of National Action Party, becomes first opposition candidate to win gubernatorial race in Mexico in 60 years, defeating ruling Institutional Revolutionary Party candidate in Baja California Norte state.

JULY 23. Mexican President Carlos Salinas de Gortari announces Mexico and 15-member advisory committee representing 500 international creditors have reached agreement to reduce Mexico's $53-billion medium- and long-term debt in first deal arranged under Brady Plan; banks are given choice of reducing principal, reducing interest or extending Mexico further credit.

AUG. 7. Presidents of Guatemala, El Salvador, Honduras, Nicaragua and Costa Rica, meeting in Tela, Honduras, agree to timetable for dismantling Nicaraguan contra camps in Honduras and repatriating 10,000 contras by 12/5. Contras returning to Nicaragua are promised land and assistance by Nicaraguan government. Repatriation is to be overseen by International Commission of Support and Verification to be set up by OAS and UN within 30 days; agreement calls for contras to accept repatriation plan within 90 days after that. Presidents also call for FMLN to open peace dialogue with Salvadoran government.

AUG. 31. Francisco Rodríguez, former comptroller general of Panama and close associate of strongman Gen. Manuel Noriega, is appointed by ruling Revolutionary Democratic Party to succeed Manuel Solís Palma as President. Rodríguez is sworn in 9/1. President Bush announces 9/1 that US will not recognize new government.

SEPT. 2. Coalition National Opposition Union (UNO) of Nicaragua selects Violeta Barrios de Chamorro, publisher of opposition newspaper *La Prensa*, to be presidential candidate.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

SEPT. 4. People's United Party captures 15 seats in 28-seat lower house of National Assembly of Belize; PUP leader George Price succeeds Manuel Esquivel of United Democratic Party as prime minister.

SEPT. 7. Preliminary talks open in Mexico City between Salvadoran government and FMLN. Rebels drop demands for power-sharing, calling for cease-fire to begin no later than 11/15, and announcing intention to transform themselves from military force into political party. FMLN abandons unilateral cease-fire 9/22; fighting 9/26 leaves 12 soldiers and 26 rebels dead.

SEPT. 16. Hurricane Hugo strikes Guadeloupe, killing 5 and leaving 12,000 homeless; 10 are killed and 12,000 left homeless 9/17 when Hugo strikes Monserrat. Storm hits US Virgin Islands 9/18; governor of Virgin Islands 9/19 requests President Bush send troops when widespread looting breaks out on St. Croix; 1,000 US Army troops are ordered into area 9/20. Hugo also hits Puerto Rico 9/18 causing damage to homes of at least 50,000 people. Hugo strikes US mainland at Charleston, SC, before heading north through Carolinas, causing estimated 27 deaths and $4 billion in damage.

OCT. 1. Mexican President Salinas arrives in Washington for 5-day visit. President Bush and Salinas 10/3 sign trade agreement to reduce import tariffs in specific industrial sectors, including textiles. Salinas addresses Congress 10/4, accuses US of exploiting Mexican immigrant and migrant workers.

OCT. 3. Between 200 and 300 rebel soldiers led by Maj. Moises Giroldi Vega seize headquarters of Panamanian Defense Forces in Panama City, capturing strongman Gen. Noriega and announcing his overthrow; forces loyal to Noriega recapture headquarters and free Noriega hours later. Noriega and President Rodríguez blame US for coup; President Bush denies charge, but admits US was informed of coup plans. Panama announces 10/4 that 10 rebel soldiers, including Giroldi, were killed. (It is reported 10/9 that after coup was crushed, Noriega demanded execution of coup's leaders and may have shot Giroldi himself.) US 10/5 admits that, at rebels' request, its troops blocked 2 roads leading to PDF, and says Noriega's troops succeeded in using third route. Senator Jesse Helms (R-NC) asserts 10/5 that US troops were asked by rebels to capture Noriega; Secretary of Defense Dick Cheney denies charges; Senate votes 74–25 against Helms' proposal to authorize use of armed force to overthrow Noriega. Panama 10/10 adopts emergency measures including retroactive firing of any government employee who participated in opposition-inspired activities.

OCT. 4. Measure calling for $9 million in aid to Nicaraguan political opposition passes US House of Representatives; similar legislation passes Senate 10/17, President Bush approves package 10/21.

OCT. 16. FMLN and Salvadoran government begin talks in San José, Costa Rica. Talks are extended to 10/18, but little progress is reported.

OCT. 27. Leaders of 16 North and South American nations meet in San José, Costa Rica, in 2-day meeting marking 100th anniversary of democracy in Costa Rica. President Ortega of Nicaragua accuses contra rebels of repeated cease-fire violations, including 10/21 ambush in which 19 soldiers were killed; Ortega announces Nicaragua will stop observing cease-fire on 10/31 and will resume military operations on 11/1. Under heavy criticism, Ortega says 10/28 decision is "reversible" if US Congress stops financing contras. In Nicaragua 11/1, Ortega announces Nicaraguan armed forces are resuming military operations, but calls for new peace talks among Nicaragua, contras and Honduras to begin next week; contras accept offer, Honduras refuses.

OCT. 31. Bomb blast at headquarters of militant antigovernment National Federation of Salvadoran Workers kills 10 and wounds 35, including 2 Americans. Salvadoran army denies responsibility 10/31, calling bombing "irrational act of terror." FMLN rebels 11/2 withdraw from peace negotiations with Salvadoran government, accusing it of complicity.

Nov. 7. UN Security Council unanimously approves creation of UN Observer

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Force in Central America, eventually to number 600 observers and technicians, to monitor accords calling for demobilization of rebel armies throughout region. First observers begin duties 12/10.

Nov. 9. Nicaraguan government and contra rebels meet at UN under auspices of International Commission of Support and Verification. Negotiators discuss plan announced 11/8 by President Ortega by which contras would withdraw to Honduras and demobilize by 12/5 in exchange for government's agreement to suspend weapons imports until 4/25/90. Contras 11/9 offer counterproposal by which contras would withdraw to bases set up in special UN-supervised security zones in Nicaragua. Sandinistas 11/14 drop demand that contras agree to demobilize by 12/5, changing date to 12/31. Talks break off 11/21 when contras reject Sandinista proposal that 2,300 rebels withdraw to Honduras, rather than entire contra force.

Nov. 11. FMLN guerrillas believed to number 1,500 launch offensive on San Salvador, capital of El Salvador, attacking headquarters of National Guard and home of President Cristiani. Offensive continues 11/12 with attacks on San Salvador and army brigade headquarters in San Miguel and Usulután; President Cristiani declares 30-day state of siege. Army counterattack 11/14–15 forces rebels from much of San Salvador.

Nov. 16. 6 Jesuit priests at José Simeon Canas University of Central America in San Salvador and 2 servants are killed by 30 uniformed men; government denies responsibility. 15 rebels 11/21 seize annex of Hotel El Salvador trapping 12 members of US Special Forces and 17 civilians; civilians are freed 11/21 and rebels escape; Special Forces leave hotel following morning.

Nov. 25. Small plane loaded with Soviet-made antiaircraft missiles and other weapons crashes in eastern El Salvador; President Cristiani, citing evidence that plane originated in Nicaragua, suspends diplomatic and commercial ties with Managua 11/26. Salvadoran national police 11/26 arrest American religious worker, Jennifer Casolo, and charge her with hiding weapons in yard of her San Salvador house. Salvadoran rebels 11/27 counterattack in San Salvador; rebels 11/28 attack wealthy neighborhoods of capital. Salvadoran government 12/5 charges Casolo with terrorism; charges are dropped for lack of evidence 12/13, and she is deported to US.

Nov. 26. Honduras holds presidential elections; opposition National Party candidate Leonardo Callejas captures 50% of vote, defeating Carlos Flores Facussé of governing Liberal Party, who takes 44.5%. In congressional voting, National Party captures 67 seats, Liberal Party 60 seats, and Unity and Change Movement 1 seat. President José Azcona Hoyo recognizes opposition victory 11/28.

Dec. 10. Presidents of Guatemala, El Salvador, Honduras, Nicaragua and El Salvador meet in San José, Costa Rica, for regional peace summit. Presidents 12/12 sign peace agreement calling for end to US aid to Nicraguan contras and demobilization of Salvadoran rebels.

Dec. 15. Panama's National Assembly votes unanimously to name Gen. Noriega "maximum leader," declaring Panama to be in "state of war" with US. Off-duty US soldier, Lieut. Robert Paz Fitcher, is killed in Panama City 12/16 after he and 3 other US soldiers are stopped by Panamanian soldiers. US soldier and his wife also stopped are interrogated and assaulted; US troops in Panama are mobilized. President Bush 12/18 expresses "enormous outrage" at killing of US soldier. US officer in Panama City 12/18 shoots and wounds uniformed Panamanian. Shortly after midnight 12/20, Panamanian judge at US base in Panama swears in opposition presidential candidate Endara, apparent winner of voided 5/7 elections, along with vice presidential candidates Calderón and Ford; 11,000 troops from US, joining 13,000 already based in Panama, strike Panama City and other targets shortly afterward. US forces seize power stations, airfields and headquarters of PDF. President Bush makes speech saying US acted to protect Americans in Panama and Washington's rights under Panama Canal Treaties; announces Gen. Noriega has eluded capture. 5 Americans are abducted by Panamanian forces from marine

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

research station and released 12/21; another group of Americans is held captive in Panama City's Marriott Hotel until rescued 12/20 by US troops; US journalist, Jonathan Meyersohn, is held hostage until released 12/24. US troops attempt to establish control of Panama City 12/21 amid widespread looting and resistence by Noriega's "dignity battalions." 2,000 additional US troops are dispatched 12/22 to Panama City to restore order; Vice President Calderón narrowly escapes assassination attempt. OAS, meeting in Washington 12/22, votes 20–1 to deplore US strike against Panama. New government of Panama announces 12/23 that it has disbanded Panamanian Army and will replace it with modest public security force. US reports 24 American soldiers and 139 Panamanian soldiers killed as of 12/23. Noriega 12/24 takes refuge at residence of Monsignor José Sebastián Laboa, papal nuncio to Panama; requests political asylum; US forces quickly surround residence. US 12/25 demands Noriega be surrendered; Vatican spokesman announces 12/27 that Holy See is not inclined to surrender Noriega to US; Vatican announces 12/29 that Noriega is being asked to leave of own free will. US troops 12/29 search home of Nicaraguan ambassador to Panama for weapons. Managua government 12/30 orders 20 US diplomats to leave Nicaragua within 72 hours; US expresses regrets to Sandinista government.

South America

Jan. 6. Colombian presidential adviser Rafael Pardo meets secretly in southern Colombia with leftist rebel April 19 Movement (M-19). Colombian government and M-19 release joint communiqué 1/12 in which M-19 announces it will abide by truce and work toward national reconciliation.

Jan. 23. About 40 civilian rebels attack and seize army base near Buenos Aires. After gun battle with police and soldiers, 14 remaining rebels surrender 1/24. Leftist group People's Resistance Front claims responsibility for attack 2/1, claiming to have acted to forestall military plot to overthrow President Raúl Alfonsín.

Feb. 1. Inauguration of President Carlos Andrés Perez, 2/2. Perez 2/4 calls on industrialized nations to write off half of Latin America's $420-billion debt to save region's democracies.

Feb. 2–3. Gen. Andrés Rodríguez, 2nd-ranking figure in Paraguayan armed forces, overthrows President Alfredo Stroessner in fighting between Rodríguez's First Army Corps and forces loyal to Stroessner that leaves up to 300 dead. Rodríguez sworn in as president 2/3, and Stroessner is flown to exile in Brazil 2/5. Rodríguez announces 2/6 that presidential and congressional elections will be held 5/1; replaces 11 generals with ties to Stroessner 2/7.

Feb. 27. Venezuelan President Pérez announces 30%-50% increase in transportation fares and 90% increase in gasoline prices aimed at satisfying International Monetary Fund, currently negotiating loan package to Venezuela. Rioting breaks out in Caracas 2/27; Pérez 2/28 declares martial law and nationwide curfew. Government grants compensatory wage increases and price controls 3/1, but new strikes break out in Caracas; 10,000 troops are sent to Caracas to restore order. President Pérez 3/3 sets death toll in rioting at 300; 3/5 lifts curfew in half of Venezuela's 20 states, 3/6 lifts curfew in Caracas and rest of country.

Mar. 9. Inter-American Development Bank announces it is suspending credit to Peru because country is over 6 months behind in debt payments.

Mar. 31. Argentine Economy Minister Juan Sourrouille resigns in face of hyperinflation brought on by 2/28 decision of business leaders to withdraw from price restraint accord introduced 8/88. House of Deputies President Juan Carlos Pugliese succeeds Sourrouille.

Apr. 6. Brazilian President José Sarney announces 5-year plan to protect and develop Amazon region. Plan would ban use of mercury in gold prospecting and include $170-million survey to determine which areas are suitable for development.

Apr. 16. Voters in Uruguay choose (53%–40%) to retain 1986 amnesty for

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

soldiers and police accused of committing human rights violations under country's military dictatorship (1973–1985).

APR. 28. Argentine government 5/2 freezes prices on most goods and services, orders taxes and wages increased, limits withdrawals; austral is fully floated against dollar.

MAY 1. Gen. Andrés Rodríguez captures 74% of vote to win presidential elections in Paraguay. Opposition candidate Domingo Laíno receives 19%. Rodríguez' Colorado Party also receives 68% of votes in congressional balloting.

MAY 7. Peruvian Premier Armando Villanueva del Campo resigns after 2 congressmen are assassinated by leftist Sendero Luminoso (Shining Path) guerrillas; President Alan García 5/8 dissolves cabinet, names Vice President Luis Alberto Sánchez premier. New cabinet sworn in 5/15.

— Presidential elections held in Bolivia. Gonzalo Sánchez de Lozada of governing Historic Nationalist Revolutionary Movement captures 23.07% of vote, former military dictator Hugo Banzer Suárez of Nationalist Democratic Action party follows with 22.7%, and Jaime Paz Zamora of social democratic Left Revolutionary Movement is third with 19.64%. Banzer and Lozada both declare victory, but because neither has majority, choice passes to Congress, to decide when it convenes in August.

MAY 14. In Argentine presidential election, Peronist candidate Carlos Saúl Menem wins with 47.3% of vote; Eduardo Angeloz of President Alfonsín's Radical Civic Union finishes second with 37%, and Alvaro Alsogaray of Democratic Center Union takes 6.3%. Elections are also held for 127 seats in 254-seat Chamber of Deputies, 1 seat in 46-seat Senate and many provincial and municipal offices; Peronists win control of both houses of Congress and most provincial legislatures.

MAY 22. Argentine Economy Minister Juan Carlos Pugliese announces 2-day bank holiday; banks suspend payment on $250 million in government bonds; 3 leading government economic officials resign. President Alfonsín announces 5/23 he will not turn over power before scheduled date, 12/10, saying Peronists rejected his offer to step down early; Alfonsín announces resignation of entire cabinet and says he will form "war-cabinet" within days to combat economic collapse. New cabinet sworn in 5/26, with Jesus Rodríguez replacing Pugliese as economy minister; Pugliese is moved to interior ministry. Food riots break out 5/29 in Buenos Aires and Rosario; Alfonsín declares 30-day "state of siege." 2,000 extra police arrive in Rosario 5/30 to enforce dusk-to-dawn curfew; 4 bombs explode in Buenos Aires' financial district. Alfonsín 5/30 orders minimum monthly wage doubled; also announces price controls. Rioting spreads 5/31 to Mendoza, Tucumán and Corrientes.

MAY 31. Chilean President Gen. Augusto Pinochet Ugarte proposes popular referendum, to take place 7/30, on reform of constitution. Proposals include end to outlawing of Marxist organizations; removal of veto power for National Security Council; reduction in presidential term from 8 years to 4, without possibility of consecutive terms; elimination of presidential power to exile citizens. New constitution would allow Gen. Pinochet to remain commander in chief for at least 4 years after leaves office 3/90. Centrist political organizations give approval to package, but United Left denounces it as grant of autonomy to military.

JUNE 4. Peruvian novelist Mario Vargas Llosa is nominated by center-right coalition Democratic Front (Freedemo) as candidate for 3/90 presidential elections. Vargas Llosa withdraws candidacy 6/21 after intracoalition dispute; reenters race 7/3.

JUNE 12. US refuses Chilean request to extradite Sergio Buschmann Silva, leader of Manuel Rodríguez Patriotic Front, leftist guerrilla organization, wanted by Chilean government since escaping from prison in Valparaíso in 1987.

JULY 6. Coalition for Democracy, 17-party Chilean opposition political alliance, names Patricio Aylwin candidate for 12/89 presidential elections.

JULY 8. Argentine President Alfonsín resigns 5 months early; President-elect

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Menem sworn in hours later; Congress to continue in office until 12/10. Menem's Economy Minister Manuel Roig 7/9 announces emergency economic program to reduce hyperinflation, including: price increases of up to 600% for fuel, electricity, telephone service; devaluation of austral; privatization of state-owned companies not related to national security; suspension of subsidies to businesses; end of central bank financing of government deficits. Menem 7/10 appoints new chiefs to head army, navy and air force. Menem states 7/12 he is willing to declare end to hostilities over Falkland (Malvinas) Islands if Britain will open "exclusion zone" around islands. Economy Minister Roig dies 7/14; he is replaced 8/15 by Nestor Rapanelli. Rapanelli 7/17 announces agreement with 300 industrial firms for price freeze.

JULY 21. Suriname President Ramsewak Shankar and rebel leader Ronnie Brunswijk sign cease-fire accord calling for special government panel to consider grievances of country's "maroons" or descendants of fugitive African slaves. Army Commander Dési Bouterse rejects peace accord as unconstitutional 7/25; refuses to withdraw troops.

JULY 28. Peruvian President Alan García, in state of nation address to Congress, says leftist guerrillas from Sendero Luminoso organization killed 766 civilians, 166 policemen and 87 elected officials in past year. Armed forces land and air offensive during July is reported to have killed or wounded at least 400 guerrillas.

AUG. 5. Bolivian Congress elects 3rd-place election finisher Jaime Paz Zamora to 4-year term as president after he and second-place finisher, Hugo Banzer Suárez, form political alliance. Paz Zamora is sworn in 8/6 by second cousin, outgoing President Victor Paz Estenssoro.

AUG. 16. Colombian Appeals Court Judge Carlos Ernesto Valencia is killed by gunmen after upholding arrest warrants for Medellín drug cartel leaders Pablo Emilio Escobar and José Gonzalo Rodríguez Gacha; 4,500 appeals court judges begin national strike 8/17 to protest slaying. Front-running Liberal Party presidential candidate Luis Carlos Galán is assassinated 8/18 by drug cartel gunmen near Bogotá. Colombian President Vigilio Barco Vargas 8/19 reinstates by decree 1979 extradition treaty with US suspended in 1987 by Supreme Court; Barco also announces emergency measures allowing drug and guerrilla suspects to be held incommunicado for 7 days. US Attorney General Richard Thornburgh 8/20 says US is considering sending troops if requested; President Bush 8/22 reports Barco says troops are "unnecessary." Eduardo Martínez Romero, reputed financial adviser to drug traffickers, indicted for money-laundering 3/29 in US, is arrested 8/23. Drug cartel leaders 8/24 declare "total and absolute war" on government, journalists and judges; Medellín headquarters of Liberal and Conservative parties are bombed. President Bush 8/25 announces $65 million emergency aid package to Colombia, including small arms, helicopters, jeeps; "small number" of military advisers also to be sent. Colombian Justice Minister Monica de Grieff visits Washington, DC, 8/29 for talks with Thornburgh. Government announces 8/30 dusk-to-dawn curfew in 10 cities; US same day orders all dependents of embassy officials in Colombia to leave. First shipments of US equipment arrive in Colombia 9/3. Colombia 9/6 extradites Martínez to stand trial in US.

AUG. 17. Lower house of Argentine Congress gives President Menem approval to sell national airline, 2 Buenos Aires television stations and national telephone service; Lower house 8/31 approves economic reform bill cutting government subsidies to privately owned companies 50% for 180 days.

SEPT. 22. Colombian Justice Minister de Grieff resigns in face of death threats from drug traffickers; is replaced by Communications Minister Carlos Lemos Simmonds. President Barco meets with President Bush in Washington 9/28; Bush promises to seek reinstatement of international coffee agreement whose suspension 7/89 caused coffee prices to fall by 40%.

SEPT. 26. Colombian government and M-19 leftist rebel group meeting in Santo Domingo announce peace accord under which rebels will disarm and be integrated into political life in return for amnesty.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

OCT. 3. Colombia's Supreme Court upholds President Barco's 8/89 decree allowing extradition of suspected drug traffickers to US. Justice Minister Simmonds resigns to assume post of interior minister 10/5; is replaced with former treasury official Roberto Salazar Manrique.

OCT. 7. Argentine President Menem, aiming at "national reconciliation," pardons 277 military men and civilians convicted or accused of committing human rights violations during "dirty war" of 1970s. Those pardoned include former President Leopoldo Galtieri, Adm. Jorge Anaya and Brig. Gen. Basilio Lami Dozo; former presidents Jorge Videla and Roberto Viola are not pardoned.

OCT. 14. Colombia extradites 4 suspected drug traffickers to US for trial. Federal Appeals Court Judge Héctor Jiménez Rodríguez is killed 10/17 in retaliation for extraditions. 20,000 judges and judicial employees stage strike 10/18–20 to demand better security. President Barco 10/24 refuses offer from drug traffickers to negotiate peace settlement.

Nov. 14. Municipal elections are held in Peru in defiance of guerrilla threats to disrupt them. Candidates of center-right coalition Freedemo are reported to capture majority of posts.

Nov. 15. First round of Brazilian presidential elections held; center-right candidate Fernando Collor de Mello captures 28% of vote, and leftist Luis Inácio da Silva 16%, to finish ahead of 19 other candidates and win places in runoff election.

Nov. 26. In Uruguayan presidential elections, in which each party is allowed to run unlimited number of candidates, National Party candidate Luis Alberto Lacalle and 2 other National Party candidates win plurality of 38% to defeat incumbent Colorado Party. Lacalle, as candidate of winning party who garnered most votes, is chosen president.

Nov. 27. Boeing 727 explodes shortly after takeoff from Bogotá on flight to Cali; all 107 aboard are killed. Responsibility is claimed by Extraditables, group of leading drug traffickers. Colombian House of Representatives 12/5 passes, by vote of 119–4, measure calling for national referendum on whether to continue extraditions to US. Truck bomb explodes 12/6 outside Colombia's Department of Administrative Security, killing 52 and causing $23 million in damages; no one takes responsibility for explosion.

DEC. 14. Presidential elections are held in Chile; opposition Coalition for Democracy candidate Aylwin captures 55% of vote. Aywin defeats center-right candidate and former Pinochet-regime finance minister, Hernan Büchi of National Renovation Party and Independent Democratic Union (29%), and rightist independent Francisco Javier Errázuriz (15%). Aylwin is scheduled to succeed Pinochet 3/11/90. In congressional elections, Aylwin's opposition alliance captures at least 68 seats in 120-seat lower house and 22 in Senate.

DEC. 15. José Gonzalo Rodríguez Gacha, leading figure in Medellín cocaine cartel, is killed by police, along with teenage son and 15 bodyguards, near Cartagena.

DEC. 17. In final round of Brazilian presidential elections, conservative candidate Collor is elected with 42.7%, beating leftist da Silva, who captures 38.5%; remaining ballots were declared void because left blank or improperly filled out.

DEC. 22. Peruvian President García withdraws his ambassador to Washington and requests that US suspend anti-drug operations in Peru's coca-growing regions, in protest against US intervention in Panama.

AFRICA

JAN. 4. 2 US F-14 fighter aircraft are approached by 2 apparently hostile Libyan MiG-23 jets north of Libyan coast; shoot down Libyan jets. Libyan ambassador to UN Ali Sunni Muntasser claims Libyan aircraft were on reconaissance and unarmed. US Defense Department 1/5 releases film showing MiGs were armed. UN

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Security Council resolution condemning downing of Libyan jets is vetoed by US, Britain and France 1/11.

JAN. 4–5. In Marrakech, Morocco, King Hassan II meets with leaders of Polisario guerrilla movement, which has fought Morocco for 13 years for control of former Spanish colony of Western Sahara.

JAN. 10. Cuban troops begin withdrawal from Angola under Angolan-Cuban-South African accord signed 12/88. Departure of estimated 50,000 troops is to be completed by 7/91.

JAN. 18. South African President P. W. Botha suffers mild stroke. Botha 1/19 appoints Constitutional Development Minister Chris Heunis acting president. Botha announces his resignation as leader of National Party 2/2, but says he will remain president. Botha is replaced as National Party head by Education Minister Frederik W. de Klerk.

FEB. 14. Jonas Savimbi, leader of Angolan rebel National Union for the Total Independence of Angola (UNITA) announces that, at urging of Ivory Coast President Félix Houphouët-Boigny, he is calling off annual rainy-season offensive against Luanda government and Cuban allies, which began 2/8.

FEB 15. South African police identify dead body of boy discovered in field in Soweto as "Stompie" Moeketsi Seipei, 14, abducted 12/88 by United Mandela Football Club, group of about 30 militant bodyguards for Winnie Mandela, wife of imprisoned African National Congress (ANC) leader Nelson Mandela. Boy is among 4 youths allegedly kidnapped by bodyguards, beaten and questioned about being police informers. Antiapartheid United Democratic Front (UDF) formally distances itself from Winnie Mandela 2/16.

FEB 17. Morocco, Algeria, Tunisia, Libya and Mauritania, concluding 2-day conference in Marrakech, sign treaty creating common market in North Africa, to be known as Arab Maghreb Union.

FEB. 22. Sudanese newspapers report military commander Gen. Fahti Ahmed Ali has delivered ultimatum to Prime Minister Sadiq al-Mahdi giving him week to move toward ending civil war between Muslim Arab-dominated Khartoum government and southern black Christian and animist Sudan People's Liberation Army (SPLA). Mahdi announces 2/27 he will resign unless military gives him free hand; army 2/28 puts troops in Khartoum on full alert and declines to give Mahdi any assurances.

FEB. 23. Algerian voters, with 73% "yes" vote, approve new constitution recognizing right to form opposition political associations and dropping all references to socialism.

FEB. 28. Ethiopian defenders of garrison at Mekele, Tigre province, abandon city to Tigrean People's Liberation Front, giving TPLF control of entire province.

MAR. 4. South African President Botha unexpectedly announces intention to serve until his term ends in September, despite 1/89 stroke. Botha refuses proposal from National Party that he allow early general elections and transfer some executive powers to party leader de Klerk. De Klerk 3/17 calls for new constitution conceding some share of power to nonwhites.

APR. 2. Parliamentary elections are held in Tunisia; governing Democratic Constitutional Rally (RCD) of President Zine el-Abidine Ben Ali takes over 80% of vote in reportedly clean elections. Outlawed Islamic Tendency Movement captures 14.5% of vote, but under Tunisian laws RCD captures all 141 seats in national legislature.

APR. 8. South Africa's liberal Progressive Federal Party merges with 2 liberal factions of ruling National Party to form new Democratic Party.

APR. 9. Mauritanian border guards allegedly open fire on Senegalese farmers in long-running dispute over grazing rights. According to press reports filed 4/25, up to 400 Senegalese are subsequently killed in rioting in Mauritanian capital, Nouakchott, and 40–50 Mauritanians are killed in rioting in Dakar, Senegal. State of emergency is declared in Dakar 4/27. International airlift 4/30–5/5 repatriates 50,000 people from both countries.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

APR. 28. Pope John Paul II arrives in Madagascar, beginning 9-day journey to Africa. He continues on to island of Réunion 5/1–2, to Zambia 5/2–4 and to Malawi 5/4–6.

MAY 11. Kenya calls for worldwide ban on trade in ivory, to save elephant populations from extinction. President Bush 6/5 bans import of ivory products into US.

MAY 16. Ethiopian military leaders, including armed forces chief of staff and air force commander, launch coup attempt against President Mengistu Haile Mariam shortly after he departs on visit to East Germany. Coup leaders kill defense minister, Maj. Gen. Haile Giorgis Habte Mariam, after he refuses to join plot. Mengistu returns to Ethiopia 5/17; by 5/20, pro-Mengistu forces put down revolt in Addis Ababa and retake mutinous garrison in Asmara, capital of Eritrea. At least 9 generals are executed, and 300–400 military officers are imprisoned.

JUNE 21. Leaders or representatives of 20 African nations meet at Gbadolite, country estate of Zaïrean President Mobutu Sese Seko, to discuss civil war in Angola. UNITA rebel leader Jonas Savimbi flies to Gbadolite 6/22; shakes hands with Angolan President José Eduardo dos Santos and agrees to truce, which goes into effect 6/23.

JUNE 21–26. South African National Party leader de Klerk travels to Europe for visits to West Germany, Britain, Portugal and Italy; his 6/23 meeting with British Prime Minister Thatcher is reported to be friendly.

JUNE 30. Bloodless military coup in Khartoum led by Brig. Omar Hassan Ahmed al-Bashir overthrows Prime Minister Mahdi. Bashir promotes himself to Lieutenant General 7/1 and dismisses virtually entire national military leadership; says primary goal is to end Sudanese civil war. Bashir promises national referendum on whether country should retain Islamic *Sharia*, or religious law, rejected by southern rebels. Mahdi goes into hiding until arrested 7/6 in Khartoum.

JULY 5. South African President P. W. Botha meets secretly with jailed ANC leader Nelson Mandela at Botha's Cape Town office; official report states Botha and Mandela confirm support for "peaceful development in South Africa."

— South Africa test launches intermediate-range missile capable of carrying nuclear weapons.

JULY 19. Several hundred black demonstrators, including Anglican Archbishop Desmond Tutu, attempt to picnic on segregated beach near Cape Town, but are driven away by police; black policeman is killed and 4 black demonstrators are shot. Similar confrontation occurs 8/20.

AUG. 7. Small plane carrying 9 Americans—including Congressman Mickey Leland (D-TX) and philanthropist Ivan Tillem—and 7 Ethiopians disappears on flight from Addis Ababa to Fugnido, camp for Sudanese refugees. Following joint US-Ethiopian search, plane's wreckage is discovered in mountains southeast of Addis Ababa with no survivors.

AUG. 14. South African President Botha resigns after cabinet meeting in Cape Town at which his ministers apparently demand he step down. National Party Chairman de Klerk is sworn in as acting president 8/15. De Klerk 8/19 flies to Maputo, Mozambique, to meet with President Joaquim Chissano.

AUG. 17. Former President Jimmy Carter announces government of Ethiopia and rebellious Eritrean People's Liberation Front have agreed to "open-ended" peace talks in Atlanta. Tigre People's Liberation Front agrees 9/24 to serve as mediator; but TPLF, allied with Ethiopian People's Democratic Movement, 8/31 attacks government strongholds in Welo province. EPLF-government negotiations open 9/7 and adjourn 9/19 with both sides promising to pursue talks. TPLF 10/18 reports it has killed, wounded or taken prisoner 18,000 Ethiopian government troops, captured several towns in Welo and advanced to point 200 miles north of Addis Ababa—claims largely confirmed by Western diplomatic sources.

AUG 22. 8 African heads of state, representing Organization of African Unity's special committee on Angola, meet in Harare, Zimbabwe, to discuss charges by both

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Angola and UNITA rebel organization that offensives were launched against them in August. Angolan President dos Santos 8/23 accuses US and South Africa of sending arms to UNITA. US State Department 8/24 deplores breakdown of cease-fire, but says Angola is aware of US intention to send weapons to rebels until reconciliation is achieved. UNITA leader Savimbi 8/24 announces abandonment of cease-fire.

AUG. 25. Acting South African President de Klerk travels to Goma, northwestern Zaïre, to visit Zaïrean President Mobutu; they discuss situation in Angola. UNITA leader Savimbi is called to Pretoria 8/27, where he announces UNITA will observe cease-fire for another month. Mobutu meets 8/28 with Angolan Foreign Minister Alfonso van Dunem in Zaïre. De Klerk 8/28 visits Zambian President Kenneth Kaunda in Livingston, Zambia.

SEPT. 6. Parliamentary elections are held for 167 seats in South Africa's 178-seat white assembly, for 67 seats in 85-member mixed-race house, and for 40 of 45 members of Indian house. In balloting for white parliament, ruling Nationalist Party falls to 93 seats from 123; right-wing Conservative Party increases from 22 seats to 39, and Democratic Party wins 33 seats, up from 21 held by 3 liberal groups which merged to form it 4/8. Acting President de Klerk 9/7 calls results "clear mandate" for NP reform program. Electoral college 9/14 chooses de Klerk president; de Klerk 9/16 names cabinet including Roelof F. (Pik) Botha as foreign minister. De Klerk is sworn in 9/20.

SEPT. 9. Algerian President Chandli Bendjedid demands resignation of Prime Minister Kasdi Merbah, accusing his government of failing to stop corruption, and appoints reformist adviser, Mouloud Hamrouche as prime minister. Merbah resigns 9/10.

SEPT. 14. Southwest African People's Organization guerrilla movement leader Sam Nujoma returns from exile to Namibia.

SEPT. 18. Angolan President dos Santos, Zaïrean President Mobutu and 6 other central and southern African heads of state meet near Kinshasa to discuss Angolan civil war; UNITA leader Savimbi sends only press aide. Leaders reportedly redraft 6/28 Gbadolite agreement to require Savimbi to retire temporarily during interim reconciliation period. Special UNITA congress meets 9/26 in Jamba, Angola; proposes new cease-fire while UNITA and Angolan government begin talks aimed at establishing multiparty state; dos Santos rejects UNITA plan 9/28. President Bush meets with Mobutu 10/4 in Washington, urges reconciliation with Savimbi and resumption of covert arms shipments to UNITA through Zaïre, which Mobutu has recently halted. Savimbi meets with Bush 10/5; afterward agrees to resume cease-fire talks under Mobutu's mediation.

SEPT. 19. French passenger jet flying from Brazzaville, Congo, to Paris, carrying 171 people including Chadian planning minister and wife of US ambassador to Chad, crashes shortly after stop in Ndjamena, Chad. Searchers discover jet's wreckage in Niger 9/20 and report crash was caused by bomb. Islamic Jihad, pro-Iranian Lebanese terrorist group, takes responsibility 9/20; claims retaliation for Israel's 7/28 kidnapping of Sheik Abdul Obeid.

— Burkina Faso's leader Capt. Blaise Compaoré announces execution of 4 men, including country's defense minister and minister of economic promotions, for allegedly attempting to arrest Compaoré 9/18.

SEPT. 26. Johannesburg, South Africa, city council approves measure ending "petty apartheid": segregation of public buses, swimming pools and recreation centers. Similar measures are passed 10/3 in East London and Durban.

OCT. 10. South African President de Klerk orders unconditional release from prison of Walter Sisulu, leader of ANC, and 7 other leading black political prisoners. De Klerk also announces his government has consulted with imprisoned ANC leader Mandela, who declined to be released, reportedly because of continued illegal status of ANC. De Klerk 10/11 meets in Pretoria with Archbishop Tutu, General Secretary of South African Council of Churches Rev. Frank Chikane, and

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

President of World Alliance of Reformed Churches Rev. Alan Boesak; they demand that government end state of emergency, legalize banned organizations and release all political prisoners before antiapartheid groups will agree to engage in substantive talks with government. Tens of thousands of blacks march peacefully in cities throughout South Africa 10/14 to celebrate forthcoming release of Sisulu and 7 other political prisoners, which occurs 10/15.

Oct. 17. Convention on International Trade in Endangered Species, meeting in Lausanne, Switzerland, votes to establish worldwide ban on ivory trade.

Oct. 29. Nearly 70,000 attend rally for ANC near Johannesburg; rally is permitted because it is officially billed as "welcome home" gathering for recently freed Walter Sisulu.

Nov. 7–11. UN-supervised elections are held in Namibia over period of 5 days; SWAPO captures 57% of votes to take 41 of 72 Constituent Assembly seats; South African-backed, multiracial Democratic Turnhalle Alliance wins 28% of vote and 21 seats.

Nov. 16. South African President de Klerk orders all country's beaches opened to all races. South African government 11/24 announces opening of 4 special "settlement areas" in which all members of all races may live.

Nov. 27. President of Comoros Abdullah Abderemane is killed by presidential guard, led by French mercenary Bob Denard. Soldiers 12/7 violently break up protest against coup by 1,000 high school students. France 12/7 cuts off annual aid of $18 million, vowing not to renew it until Denard leaves Comoros. Denard and 21 other mercenaries depart Commoros for South Africa 12/15 after turning over authority to French naval commandos.

Dec. 13. South African President de Klerk meets with ANC leader Mandela at de Klerk's office in Cape Town to discuss prospect of negotiations concerning black-white power sharing.

Dec. 14. UN General Assembly unanimously adopts declaration that sets political guidelines for bringing South Africa's apartheid to an end, including granting of bill of rights protecting human rights of whites and other minorities, universal suffrage and secret ballot, freeing of political prisoners and legalization of banned parties.

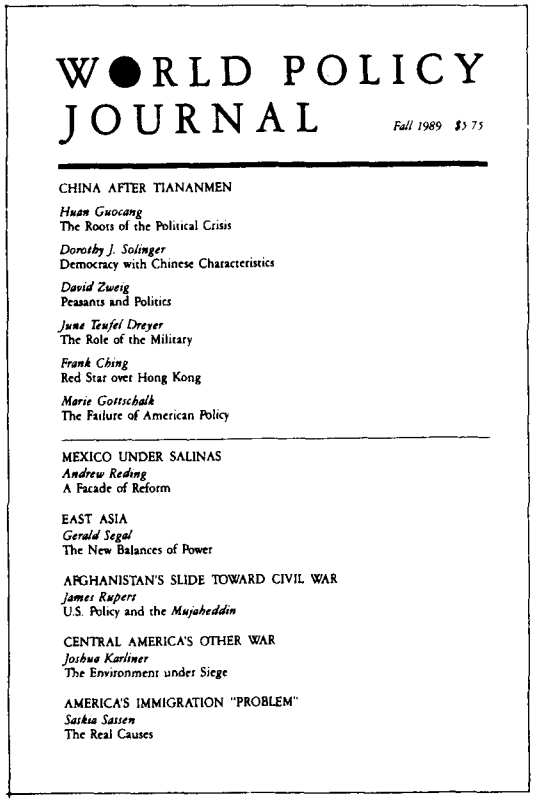
Dec. 15. South African Court of Appeals overturns 1988 treason convictions against 5 leading antiapartheid activists associated with UDF, because of judicial impropriety committed by judge who presided at their trial.

Dec. 22. Ethiopia announces it will allow food supplies provided by foreign governments to be delivered to Tigre province, entirely controlled by rebel TPLF. Tigrean rebels 12/27 reported to have captured several cities in Gondor and Shoa provinces.

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

"WORLD POLICY IS TRYING TO CONSTRUCT. . .

. . .a new foreign policy that matches reality—that challenges the deeper premises of the Cold War and proposes a new set of answers."
—William Greider, national affairs columnist, **Rolling Stone**



WORLD POLICY JOURNAL

Fall 1989 $5.75

CHINA AFTER TIANANMEN

Huan Guocang
The Roots of the Political Crisis

Dorothy J. Solinger
Democracy with Chinese Characteristics

David Zweig
Peasants and Politics

June Teufel Dreyer
The Role of the Military

Frank Ching
Red Star over Hong Kong

Marie Gottschalk
The Failure of American Policy

MEXICO UNDER SALINAS
Andrew Reding
A Facade of Reform

EAST ASIA
Gerald Segal
The New Balances of Power

AFGHANISTAN'S SLIDE TOWARD CIVIL WAR
James Rupert
U.S. Policy and the *Mujaheddin*

CENTRAL AMERICA'S OTHER WAR
Joshua Karliner
The Environment under Siege

AMERICA'S IMMIGRATION "PROBLEM"
Saskia Sassen
The Real Causes

- *WORLD POLICY* has established itself as the leading progressive international affairs quarterly in the United States.
- *WORLD POLICY* provides in-depth policy articles, voices from abroad, special reports from crisis areas, and interviews with national and international leaders.
- *WORLD POLICY*'s coverage includes U.S.-Soviet relations, U.S. security policy, international trade and economic policy, the United Nations, transatlantic and transpacific relations, and developments in Latin America, Asia and Africa.
- *WORLD POLICY* is for public officials, national leaders and opinion-makers, educators and scholars, and political activists and concerned citizens.

- *START YOUR SUBSCRIPTION* with the current issue and take advantage of this special introductory rate. . . just $15.75 for four quarterly issues. Save 25% off the cover price!

YES Send me four quarterly issues of *WORLD POLICY*
I have enclosed $15.75

Name _____

Address _____

City, State, Zip, Country _____

Foreign Orders: Add $4.00 for surface or $10.00 for airmail delivery. All orders must be paid in U.S. dollars, drawn on a U.S. bank.

WORLD POLICY JOURNAL • 777 U.N. Plaza • NY NY 10017 USA

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED